

Annual Report 2020

#together





Table of contents

Introducing ESTEVE

Letter from the Chairman	4
Letter from the CEO	6
Corporación Químico-Farmacéutica Esteve	8

ESTEVE 2020 at a glance

Key figures	10
Highlights	12

The ESTEVE way



01 Corporate Strategy 16 Pillars of the strategy 18	04 Responsible business 34 Building stakeholders' trust 36 Responsibility in everything we do 37 Sustainable Development Goals & 2030 Agenda 38 Beyond that established by law 40 ESTEVE's social performance 45 Environmental performance. Commitment to the environment 56 Managing risk by adding value for business 62 Corporate Governance 66
02 Our Business 20 Pharma Business 22 Contract Manufacturing Business 24	05 Appendices 70
03 Advancing innovation to improve lives 26 Covering the product life cycle 28 New chemical entities in neurosciences 30 Gene therapy platform 31 Life cycle management projects 32 R&D Collaborations & Partnerships 33	

Letter from the Chairman



Never before in recent history has there been a global movement where we all worked together to fight and overcome a pandemic.

A handwritten signature in black ink, reading "A. ESTEVE".

Albert Esteve
Chairman



During 2020, Corporación Químico-Farmacéutica Esteve (CQFE) has made substantial progress in most of its companies and activities despite the global crisis situation caused by COVID-19.

In the period of the pandemic that began at the end of 2019, our *raison d'être*, to improve people's lives, made even more sense. Our activities reflect a goal that is shared by all our companies and employees, namely, to improve people's health and quality of life.

We are once again reaffirming our commitment to sustainability by reporting our economic, social, and environmental results in a transparent manner, as well as our support for the 10 Principles of the United Nations Global Compact. This report shows our contribution to the 2030 Agenda and provides an overview of the progress made in environmental, social and good governance matters, that are undoubtedly relevant to us and our stakeholders, highlighting our 2020 results.

As part of our commitment to transparency, we report our results according to the international framework of the Global Reporting Initiative (GRI) in the latest version of "GRI Standards", addressing all matters required by Law 11/2018, which also allows us to honor our twofold commitment to compliance and transparency. ESTEVE is firmly committed to continuously

strengthening its corporate governance framework and continuing to enhance its effectiveness in order to meet the challenges we face in a responsible and sustainable manner.

At the time of publication of this report, we are still experiencing an unprecedented health crisis. At ESTEVE, we continue to work in accordance with government regulations to contribute to public health and ensure business continuity, guaranteeing that patients get their medication. We are confident we will overcome this situation and come out stronger as a company and as a society.

Never before in recent history has there been a global movement where we all worked together to fight and overcome the pandemic. The efforts of the pharmaceutical industry to find a vaccine and cure have been and continue to be extraordinary, both human and financial. The word together has taken on a new meaning. And together is the only way to defeat the pandemic.

Last but not least, I would like to express my support and that of the entire Board of Directors for the great work of ESTEVE's executive team and all its employees. And I would also like to thank our shareholders for their confidence and their constant support for the initiatives that are put forward so that we can continue to pursue an objective that unites us all: that of improving people's lives.

Letter from the CEO



Our priority has been to focus on people, both our own people and the patients: our raison d'être.

A stylized, handwritten signature in black ink, appearing to read 'S/S'.

Staffan Schüberg
Chief Executive Officer



2020 will undoubtedly go down in history as the year of COVID-19. At ESTEVE, our priority has been to focus on people, both our own people and the patients: our *raison d'être*.

Despite being the most complex year in recent history, our results have been good. This has been possible thanks to all the hard work and the huge group effort by everyone, whether working in the production centers or from home. Our business continuity plan, constant risk monitoring, agile decision making, and committed team have ensured that the company has been (and continues to be) 100% operational. Thanks to this collective effort, we have been able to continue supplying medicines to health professionals, customers, and especially to all patients who need them.

It is important to emphasize our social commitment in these difficult times. Honoring the Sustainable Development Goals as our beacon of light and guidance, we are contributing to the fight against the pandemic from many perspectives. Internally by taking care of our teams and providing them with protective equipment, flexible working hours, and support. And externally from covering the most basic needs through to donations for professionals and hospitals and food for vulnerable groups, within our CSR activities; as well as from the perspective of innovation, with a project in the clinical trial phase that could prove effective in the treatment of COVID-19.

This year has been intense in every aspect: we started the year with divestment in generics, followed by the acquisition of Riemser, a pharma company based in Germany with affiliates in The United Kingdom and France. We have made great strides in integrating the teams from all these countries and have advanced considerably, despite the barriers to meetings and gatherings imposed by COVID-19.

It is increasingly clear that society expects more from businesses in aspects such as innovation,

sustainability, social values and good governance. Those matters have not only been a consistent priority in our 2020 agenda but are also well established in our strategic direction. As part of our commitment to transparency, we are disclosing our ESG performance along this report.

It is important to highlight the sealing of the innovation alliance with Leitat, WeLab, which took place on August 1st. This alliance allows us to continue to be a company that is committed to innovation but henceforth with a much more flexible and sustainable model.

We are advancing according to our roadmap at a good pace, but we still face challenges. Our vision of becoming an international proprietary specialty pharma company is closer. In 2020 the composition of our portfolio of proprietary products has grown considerably, now getting closer to 60% of net revenue. A proprietary product means greater stability, greater margins, and therefore more investment possibilities.

Our vision is a long-term commitment and we are advancing relentlessly. Our experience in innovation, commercial excellence, high quality products, and our values shared by a whole team of committed professionals will help us to remain true to our purpose. Furthermore, we are devoted to continue identifying environmental initiatives, such as the use of renewable energies in our industrial sites, that contribute to the global emission reduction goals. Our team has worked relentlessly to overcome all the difficulties in this challenging year and to leave no patient without their medication. I would like to express my gratitude to them and to everyone who has trusted us during these volatile and complex times.

If we continue to work well, all together, we will be a sustainable business that adds value to society and provides profitable growth.

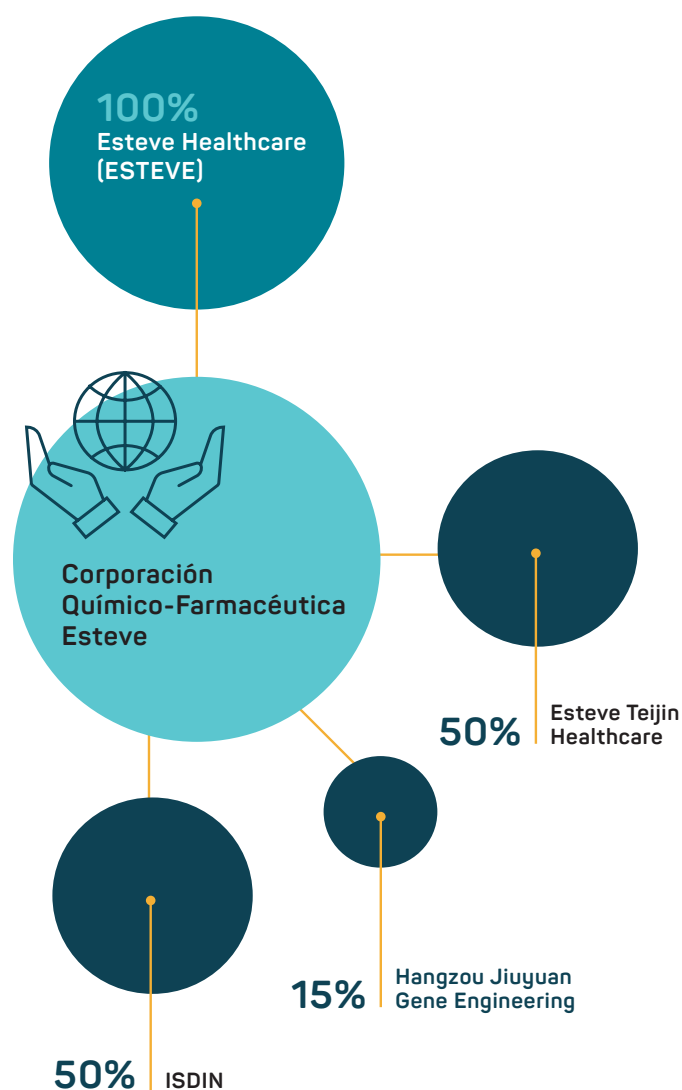


Corporación Químico-Farmacéutica Esteve

Esteve Healthcare (ESTEVE) is part of Corporación Químico-Farmacéutica Esteve, a leading Group in the field of health care. The Group also includes:

- **ISDIN** (www.isdin.com), a 50/50 joint venture with Grupo Puig, a worldwide leader in fashion and fragrances. Founded in 1975, ISDIN is currently at the forefront of the development and marketing of products in the field of dermatology, cosmetics and photo-protection.
- **Esteve Teijin Healthcare** (www.esteveteijin.com), the result of a 50/50 alliance with the Japanese group Teijin Pharma. Focused on innovation since its foundation in 2009, this company is dedicated to providing the highest quality service to patients receiving home respiratory therapy.
- **Jiuyuan Gene Engineering**, a biopharmaceutical company that develops and manufactures biopharmaceuticals in China. Corporación Químico-Farmacéutica Esteve has a 15% holding in this company which was founded in 2009.

This report highlights our 2020 performance in the corporation's main company, Esteve Healthcare and its affiliates.



2020 KEY FIGURES

NET REVENUE

(in millions of euros)

ESTEVE HEALTHCARE

453.85

ISDIN

301.41

ESTEVE TEJIN

26.14

JIUYUAN

134.06

We have been in contact with **60,000** health care professionals (doctors, pharmacists, nurses) to work together for the health and well-being of patients.



Our products and activities impact

7 million people



More than

800,000 euros

donated in line with our CSR activities



EMPLOYEES

40%
Women

60%
Men



92%

employees with a
permanent contract



21.5%

average training hours
per employee



63%

employees have
received training

ENVIRONMENTAL IMPACT



More than
50%

decrease in gas
consumption at our sites



More than
30%

decrease in electricity
consumption at our sites

2020 S T H G I H H I G H T S

1Q

January

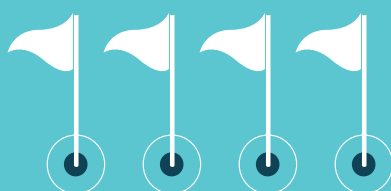
ESTEVE and **Towa Pharmaceuticals (Japan)** reach an agreement to acquire ESTEVE's Generics division, **Pensa Pharma**. This divestiture is part of the company's strategic plan to focus on proprietary products and specialty pharmaceuticals.

February

ESTEVE acquires German proprietary, specialty, hospital-focused company **Riemser** and expands its presence in Europe. The acquisition provides ESTEVE with greater pharmaceutical presence in Europe's main markets and a portfolio of proprietary specialty products for hospital use. With its headquarters in Berlin (Germany), Riemser has subsidiaries in The United Kingdom and France and is present in nearly 24 countries through alliances with third parties

March

The World Health Organization (WHO) declares **COVID-19** a pandemic, a global health crisis affecting all sectors and countries. ESTEVE business contingency plans are put in place and operations are 100% secured.



COVID-19 initiatives

At ESTEVE, all our teams have been committed to and fully involved in initiatives to contribute to healthcare and increase security during this pandemic.

As a health care company, we have been focused on ensuring the supply of essential and non-essential medicines for our patients. Since the start of the pandemic we put business continuity plans in place to ensure both the health of our employees and our operations and also ensure that no patient would be left without their medication.

2Q

June

ESTEVE's CNS portfolio is reinforced with the acquisition of marketing rights for an **anti-Alzheimer** product to be commercialized under its proprietary brand.

3Q

July

Signing of the R&D alliance between ESTEVE and **Leitat to create WeLab**. The alliance provides us with flexible access to **innovation**, as ESTEVE will have direct and preferential access to innovation and the most advanced technologies in the biomedical field through the Leitat network, as well as to other external sources of innovation. ESTEVE also chairs the WeLab Strategic Committee.

ESTEVE grows its **ophthalmology** and **CNS** portfolios with the acquisition of exclusive marketing rights to an innovative medical device, the first ozone-based ocular antiseptic to reach the market, as well as an innovative medicine for the treatment of **Alzheimer's disease**, both under ESTEVE's proprietary brands.

4Q

November

ESTEVE files an application for authorization to market its R&D proprietary product **E-58425** (Co-crystal) in three European markets: Spain, Italy and Portugal. The dossier was submitted simultaneously to all three agencies, **AEMPS** in Spain, **AIFA** in Italy, and Infarmed in Portugal, through a decentralised process in which Spain acts as the Reference Member State. In addition to the information that was prepared for earlier submission in the US, two **phase III** studies in Europe containing newly-integrated documentation on efficacy, safety, and benefit-risk were added.

The ESTEVE way



Working with a mission to improve people's health is without doubt a privilege; a privilege that is not without its responsibilities and obligations, because health is a fundamental right of every human being and their most precious asset. We should take pride in the fact that we are here to help improve lives, but we must be aware that we have to always act correctly and do things well.

At ESTEVE we have guidelines for action, including a strategic plan, our vision and mission, values, and key behaviors. These serve as the basis for our decisions, projects, and actions to achieve the expected results and fulfil our noble purpose and raison d'être: addressing patients' needs.

Our values are the DNA of our company. We are concerned not only about what we do, but also how we do it. We have a set of Values that describe the foundational beliefs of our company: who we are and how we treat each other.

People at ESTEVE are expected to act in accordance with our values. We encourage and support them in translating our values into more tangible behaviors in our day-to-day business: We strive for excellence by driving results and by demonstrating innovative, collaborative, and accountable behavior. Furthermore, we expect our people to engage themselves and own their development with a strong focus on continuous improvement. This is ESTEVE's way of doing things and what we would like to be known for.



"Organizational culture is shaped and developed by People. At ESTEVE we make an effort to increase our awareness about the culture we have – what represents a strength and what needs to change. We believe that talking about culture provides a great feeling of belonging, ownership, and influence. It contributes to people working together. It strengthens the feeling of being One Company."

Helle Hedegaard Juhl

Chief Human Resources Officer



Values

It's all about people

People Matter

We recognize and reward innovative approaches and behavior, and we respect the contributions of all employees. We are strongly committed to addressing patients' needs – our raison d'être.

Be open, build trust

Transparency

We believe that TRANSPARENCY leads to TRUST and that both are key pillars for honest and productive collaboration. We accept that sometimes we win and sometimes we learn.

Own it

Accountability

We are committed to ACCOUNTABILITY and INTEGRITY. We always take responsibility for our decisions and our work, doing the right things in the right way.

Mission
Advancing
innovation to
improve lives



Vision
To be a leading
provider of specialty
pharma care



01 Corporate Strategy



As a result of our redefined mission and vision we are entering a new era of ESTEVE's contribution to enhancing health care.

Throughout the years, ESTEVE has successfully advanced through different waves of evolution within the challenging health care, sociocultural, and economic environments making a remarkable imprint on both the Spanish and international markets.

In recent years the health care environment has become more challenging and fast-paced resulting in a need to become even more agile and dynamic as a company constantly balancing innovation with the ability to be

cost-efficient guaranteeing a sustainable system for addressing patient needs.

This environment, together with an increasingly challenging competitive landscape for ESTEVE's operating businesses, was eventually putting pressure on its investment capacity and financial ability to maintain an optimal level of profit generation and margins. These challenges exposed the underlying weaknesses in the business model which led us to the starting point for ESTEVE's new strategic path.



Pillars of the strategy

As a result of our redefined mission and vision, we are now entering a new era of ESTEVE's contribution to enhancing health care. We firmly believe that ESTEVE will be most competitive in the future if we consolidate it as an International **Proprietary Specialty Pharma company**.

Our aim is to operate internationally in therapeutic areas and markets where we can provide meaningful innovative alternatives for diseases with high unmet needs, where we can use our expertise as leverage and be in control of our own future branded proprietary medicines.

We will achieve our vision:



PREDICTABLE AND
STABLE REVENUES



PROFITABLE
MARGINS



SUSTAINED
ANNUAL GROWTH



PRESENCE IN MULTIPLE
GEOGRAPHIES

However, being a Proprietary Specialty Pharma company is not the only strategic pillar we focus on. It has to come with critical mass in Revenue and **profitable growth** that ensures sustainable financial capacity to reinvest. What ESTEVE is striving for is to become a company with strong sustainable growth – top line as well as earnings.

In this evolution, we will continue to integrate and unite all the businesses in which ESTEVE is present to operate under the **One Company** philosophy relating to a new way of working that maximizes the synergies among teams, shares common goals, enhances cultural change, and equally importantly, provides us with a more efficient platform to achieve our goals.

In the pursuit of achieving our strategic goals we have had an outstanding year. We have divested our non-strategic Generics business, bought and integrated the German company Riemser, and secured a strategic partnership agreement with Leitat, a well-respected zero-profit organization located in Barcelona, where we are set to collaborate on the development of several internal ESTEVE pipeline candidates. In addition, we have acquired several proprietary assets for ESTEVE within the Neurology field – a core focal area for the company. These strategic achievements have resulted in ESTEVE becoming a more international specialty company with an increased focus on obtaining proprietary assets to commercialize.



MAXIMIZE synergies among teams
SHARE common goals
ENHANCE cultural change
ACHIEVE strategic goals

● ●

ESTEVE is growing internationally with an increased focus on obtaining proprietary assets to commercialize.

02

Our Business



Servicing specialty
pharma patients
worldwide.

ESTEVE's internationalization process began in the 1950s and today is one of its strategic pillars of growth and future, with significant presence in key markets. With its headquarters in Barcelona and a leading role in the Spanish market, ESTEVE is an international company with affiliates in the major pharmaceutical markets of Europe: Germany, France, and the United Kingdom, and with significant industrial presence in Spain, Mexico, and China.

The combination of both our pharma business, focussed on specialized pharmaceuticals, and our Contract Manufacturing Business (CMO) allows

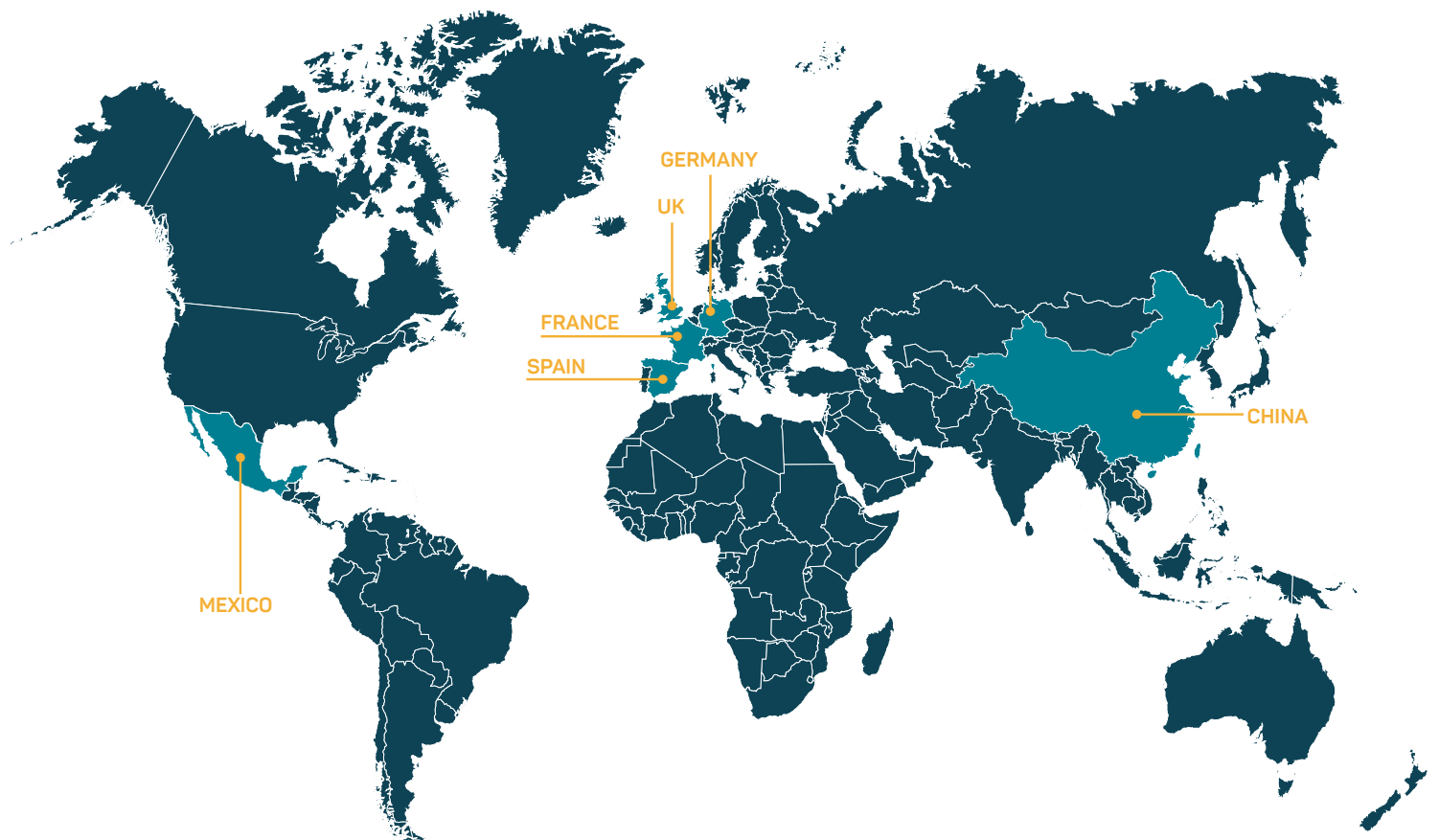
us to provide integrated or stand-alone solutions depending on the needs. Innovation and quality are the key pillars in both activities: pharma & CMO.

PHARMA BUSINESS

Since 1929, servicing the Spanish pharmaceutical market with a wide product portfolio.

CMO BUSINESS

The reference partner for manufacturing and process development of Active Pharmaceutical Ingredients for the Health Care Industry.



Pharma Business

With our wide portfolio of products, we have been a key player in the Spanish pharmaceutical market for over 90 years.

In 2020, in keeping with the leit-motif of our founder, Dr. Antoni Esteve Subirana, “innovate to improve people’s lives”, ESTEVE acquired Riemser, a German pharmaceutical company specializing in the hospital market with proprietary products. In addition to the German market, this company has affiliates in The United Kingdom and France and distribution in 24 countries.

Riemser has a diversified portfolio of products with the **following three main therapeutic areas: oncology, neurology and niche therapy**. This acquisition will accelerate ESTEVE’s transformation into a specialty pharma company with nearly **60% of its sales coming from proprietary products**; it will also give ESTEVE access to a high-growth sector, the **hospital market**.

We have thus gained greater presence in the most important European pharmaceutical markets, consolidating a portfolio of proprietary products and opening a new segment: hospital-use products.

In our home country of Spain, neuroscience has been an area of focus for us. We also offer treatments in other therapeutic areas such as Ophthalmology: we are working on treatments for eye diseases such as dry eye and glaucoma.

We also offer a wide range of innovative treatments for chronic pathologies such as diabetes, hypercholesterolemia, and others.

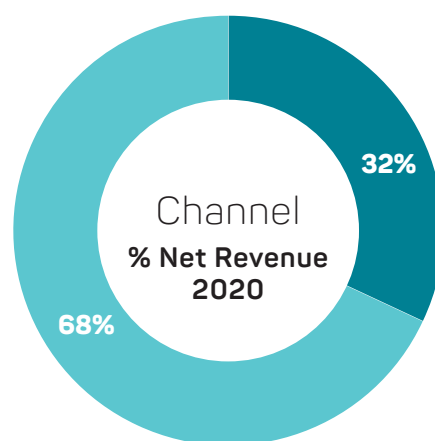
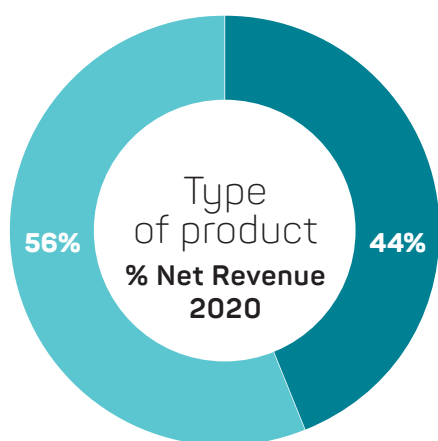
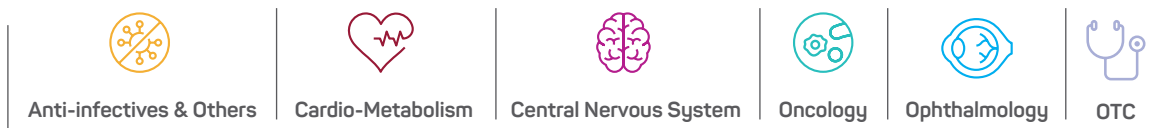
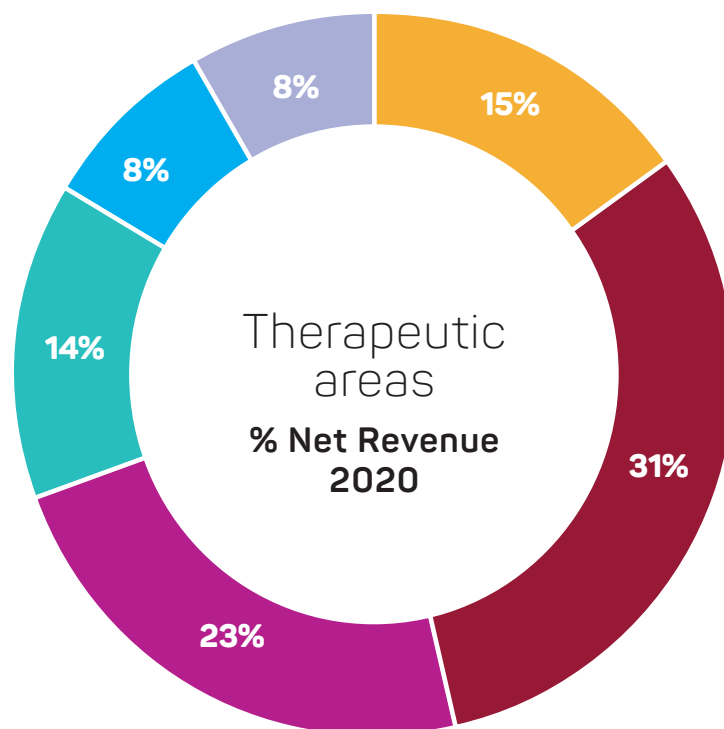
Moreover, we promote projects that help patients play a more active role in understanding everything related to their pathology.

We currently offer treatments that span the following therapeutic areas:

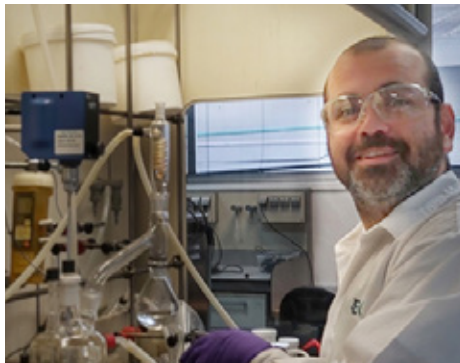


2020

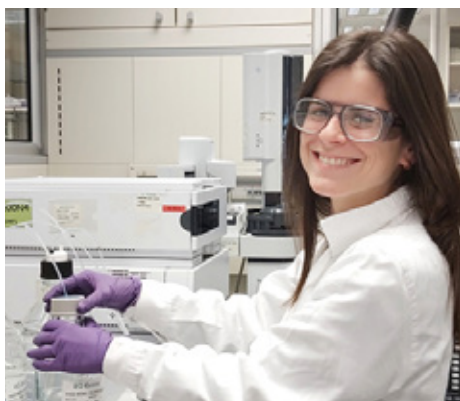
ESTEVE acquires German proprietary, specialty, hospital-focused company Riemser and expands its presence in Europe. The acquisition provides ESTEVE with greater pharmaceutical presence in Europe’s main markets and a portfolio of proprietary specialty products for hospital use.



Contract Manufacturing Business



Albert Vila, Barcelona R&D site.



Susana Canaleda, Barcelona R&D site.

Through Esteve Química, ESTEVE offers global Contract Manufacturing solutions (development and manufacture of active ingredients for third parties –CMO-), covering all aspects of a genuine industrial process: from the first stages of development to the industrial manufacture of active pharmaceutical ingredients (APIs).

The entire process involves the highest technological capacities and spans three different continents: Europe, with a finished dosage forms plant in Schiffweiler (Germany) and active ingredient and intermediate manufacturing sites in Celrà (Girona) and Banyeres (Barcelona) in Spain; a plant in Jiutepec, Mexico; and Asia, with the Shaoxing plant in China, a joint venture with the Huadong Medicine Group.

All our sites comply with the highest local and international regulatory standards in terms of good practices and management systems.



Production plant (Mexico).



Reaction volume: 333m³

Scale-up, intermediate and API manufacturing

Location: Celrà, Spain

Certifications: ISO 14001:2015, OHSAS 18001:2007,
Good practices in promoting health at work



Reaction volume: 58m³

Scale-up, intermediate and API manufacturing

Location: Banyeres, Spain

Certifications: ISO 14001:2015, OHSAS 18001:2007,
Good practices in promoting health at work



Reaction volume: 140m³

Development, scale-up, intermediate and API
manufacturing

Location: Jiutepec, Mexico

Certifications: ISO 14001:2015, OHSAS 18001:2007,
Clean Industry



Reaction volume: 344m³

Intermediate and API manufacturing
Joint venture with Huadong Medicine Group

Location: Shaoxing, China

Certifications: ISO 14001-2015, OHSAS 18001:2007



Pharmaceutical manufacturing plant

Location: Schiffweiler, Germany



Providing global solutions:
from the first stages
of development to the
industrial manufacturing
of an API.

03 Advancing innovation to improve lives



Our goal is to deliver meaningful new solutions for patients who currently lack effective options.

ESTEVE aspires to become an international leader in the field of specialized medicine, innovating in products and services that improve patients' lives.

Building on a robust track record of manufacturing and partnerships, we are redirecting our focus toward proprietary specialized therapies. Our goal is to deliver meaningful new solutions for patients who currently lack effective options.

2019-2021 Goals

- Reinforce the market launch of ESTEVE's Co-Crystal in the US and the European Union through partnerships.
- Continue to make progress in research on rare diseases (Sanfilippo A).

2020

- Both goals have seen substantial advances in 2020. Co-crystal is filed in the US and we are actively looking for a partner to launch the product on the US market once we get FDA approval (expected 2021). Also in 2020, a dossier was submitted to the regulatory authorities of Spain, Portugal, and Italy.
- The Sanfilippo A phase II trial is progressing as planned. We are currently looking for a partner to accelerate project development.

Some of our core strengths are our technical, scientific, development, medical, and regulatory knowledge; and our capacity to discover and develop drugs, from selecting targets to Phase III clinical trials and to subsequently obtaining marketing authorization as well as our experience conducting clinical trials in numerous countries.

We are currently evolving our R&D model to be able to accelerate the time-to-market of innovative molecules and new products, have a sustainable and balanced research pipeline, and be able to deliver solutions for the patients who need them.

Also remarkable is our considerable experience in interfacing with regulatory authorities around the world.

We have expertise in several areas according to the development status:

- The development of new molecules in the field of neuroscience
- The development of new advanced therapies (gene therapy) for metabolic disorders
- Life cycle management projects



NUMBER OF PATENTS

17

(According to the European Patent Office, ESTEVE ranks 3rd out of the Spanish applicants in 2020)

Covering the product life cycle From bench to market

WELAB by **LEITAT & ESTEVE**

Early Discovery stage projects
Main targets: CNS



DISCOVERY & PRE-CLINICAL DEVELOPMENT



E-52862 (*Various CNS Indications*)

Novel, first-in-class NCE selective
Sigma-1 antagonist.
Development stage: Phase II

EGT-101 (*Mucopolysaccharidosis Type IIIA*)

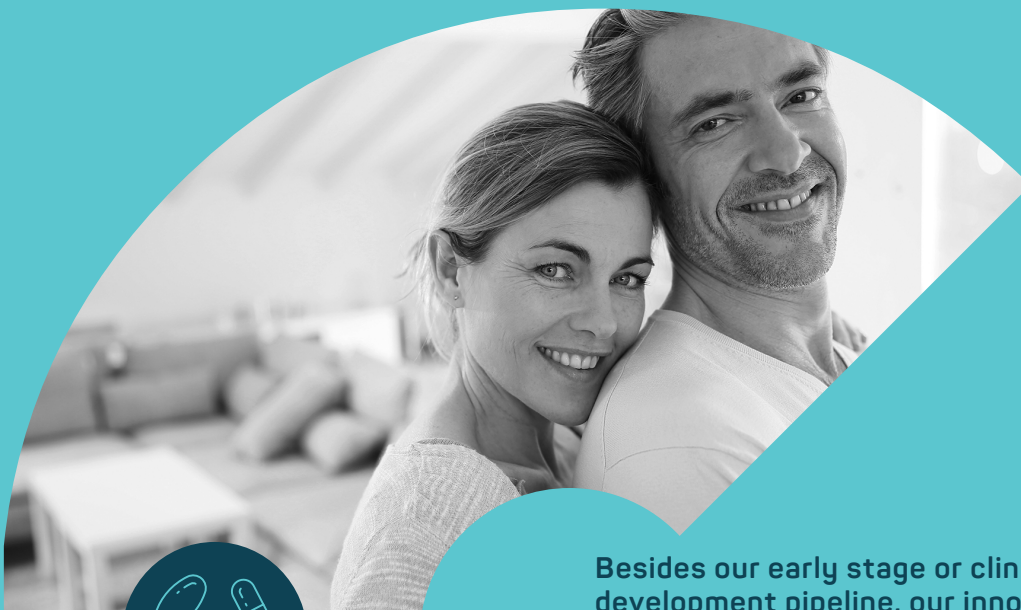
A potential first-in-class AAV-9 gene therapy
administered via a one-time intracerebroventricular
injection into the cerebrospinal fluid.
Development stage: Phase II



CLINICAL DEVELOPMENT

Lysosomal Storage Disorder *(Undisclosed)*

A potential first-in-class gene therapy



PHARMACEUTICAL DEVELOPMENT & LIFE CYCLE MANAGEMENT

Besides our early stage or clinical development pipeline, our innovation process looks into the key levers to drive growth for the whole product life cycle:

- Portfolio development and optimisation
- Geographic expansion

E-58425 *(Moderate-to-Severe Acute Pain)*

A novel, first-in-class co-crystal of Celecoxib and Tramadol

Registration: US, Spain, Italy, & Portugal

New chemical entities in neuroscience

In 2020, we made significant progress with one of our most advanced assets: E-58425.

This novel entity co-crystal, E-58425, is a new oral, investigational, multimodal analgesic that integrates two active molecules, tramadol and celecoxib, into a unique co-crystal structure that is structurally and functionally distinct from a fixed-dose combination.

This co-crystal structure acts through four complementary mechanisms for pain relief, making it possible to administer low doses of both active compounds. E-58425 has demonstrated rapid and durable efficacy, safety, and tolerability throughout a robust clinical program consisting of eight clinical studies with more than **2,500 patients over three pain settings**.

In addition to the information that we had prepared for earlier submission in the US, we have added two phase III studies in Europe containing newly-integrated documentation on efficacy, safety, and benefit-risk.

During 2020, activities were also concentrated on the FDA Advisory Committee Meeting on E-58425 held in Washington, D.C. and on the preparation of additional documentation required by the FDA for the co-crystal authorization application. In addition, during 2020, the activities necessary to obtain co-crystal authorization in three EU countries were also completed; these activities focused on providing scientific advice to the Spanish Agency for Medicines and Health Care Products, and on the preparation of all the documentation that was used in the marketing authorisation application submitted in 2020. Activities also included searching for partners for the commercialization of the co-crystal E-58425 in various territories.

Project E-58425 has received a grant from the Catalonia Trade & Investment Agency (ACC10) of the Catalan Government as part of a series of loans for industrial innovation and experimental development projects via the Catalan Institute of Finance (ICF).

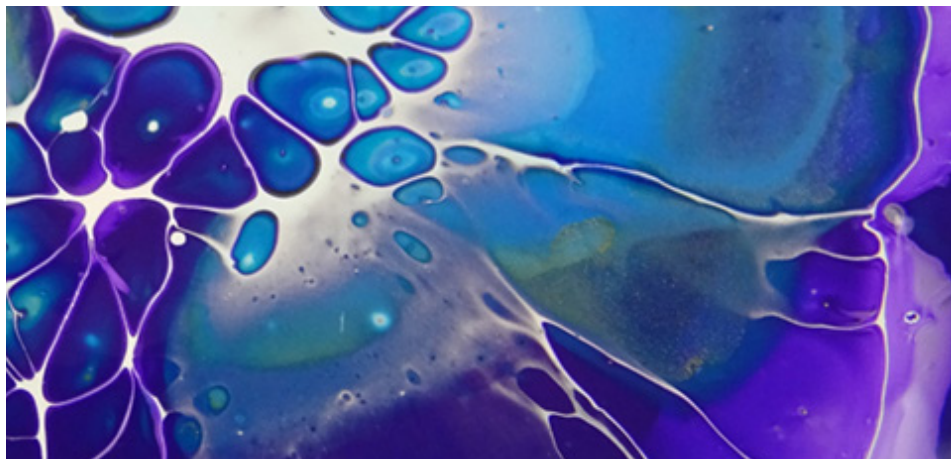
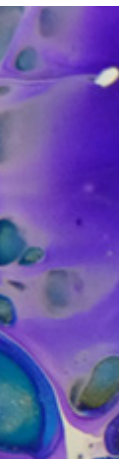


Goal for 2021

To complete co-crystal E-58425 development activities to obtain FDA authorization in 2021 and complete EU filing.

2020

Following FDA file submission in 2019, we filed an application for authorization to market our R&D proprietary product E-58425 in three European markets: Spain, Italy, and Portugal. The dossier was submitted simultaneously to all three agencies, AEMPS in Spain, AIFA in Italy, and Infarmed in Portugal, through a decentralised process in which Spain acts as the Reference Member State.



Gene therapy platform

Mucopolysaccharidoses (MPS) are genetic diseases caused by the absence or malfunctioning of certain enzymes leading to an accumulation of complex molecules called glycosaminoglycans (GAGs) inside cells.

Sanfilippo syndrome is characterized by the accumulation of a GAG called Heparan Sulfate (HS). Four enzymes participate specifically in the breakdown of HS and, depending on which enzyme is absent or deficient, Sanfilippo syndrome is classified into 4 subtypes (A, B, C, and D). In Type A Sanfilippo syndrome, the gene that encodes sulfamidase is affected, resulting in absent or deficient expression of the sulfamidase enzyme. There is currently no curative treatment for this syndrome.



This project is being developed under a public-private partnership together with the UAB (Autonomous University of Barcelona).

The Sanfilippo project has received grants from Spain's Ministry of Economy and Competitiveness and the Ministry of Health, Social Policy, and Equality, in competitive calls for research projects, in which the project was recognized for its scientific excellence.



Goal for 2021

The search for a partner for the future development of not only Sanfilippo A but also the gene therapy platform for the treatment of other mucopolysaccharidoses will also continue.

2020

The gene therapy clinical trial in patients with Sanfilippo A syndrome continued, a trial that completed patient enrolment in 2020, and which was designed with a five-year follow-up in each patient after administration of gene therapy.





Life cycle management projects

Besides our early stage or clinical development pipeline, our innovation process looks into the whole product life cycle. In our three year strategic plan we have established two key levers to drive growth: Portfolio development and optimization, and geographic expansion.

The combination of the various approaches will make our innovation model more balanced, more flexible, and more sustainable and above all, ensure that this supports our raison d'être: to advance innovation to improve people's lives.



PORTFOLIO DEVELOPMENT

New products

New product launches based on organic development

New indications

Indication expansion for current ESTEVE products

New formulations

Formulation expansions for current ESTEVE products



GEOGRAPHIC EXPANSION

Geographic expansion

Portfolio Synergies

Expand and launch our product portfolio into the rest of the countries in which we have affiliates (Spain, UK, France, & Germany).

R&D Collaborations & Partnerships

2 020 reached a milestone in our recent R&D history. The innovation model is being reshaped once again and as a result of this process, in July 2020, we signed an agreement with **Leitat** for the creation of a bio-incubator, accelerator hub, and center of excellence for biomedicine & pharma under the name of **WeLab**.

At ESTEVE, together with our own strategy and research projects, we believe that collaboration with other stakeholders is very important to increase innovation impact, so we have agreements in place with various entities like Pompeu Fabra University, Granada University, and the Autonomous University Barcelona.



We believe that collaboration with other stakeholders is key to increase innovation impact.

Our model is based on collaboration and co-creation with all the agents in the health system with whom we share the same goal: people's health.

To meet our goals, we carry out various collaborative actions to add to and strengthen our purpose.

Among ESTEVE's main priorities are fostering self-care and promoting healthy habits, thus contributing to the sustainability of health systems.

2020

Signing of the R&D alliance between **ESTEVE** and **Leitat** to create **WeLab**. The alliance provides us with flexible access to innovation, as ESTEVE will have direct, preferential access to innovation and the most advanced technologies in the biomedical field through the Leitat network, as well as to other external sources of innovation. ESTEVE also chairs the WeLab Strategic Committee.





We are committed to caring
for the health of people and
of the environment, today
and tomorrow.

Responsible
business

04

At ESTEVE, we are committed to caring for the health of people and of the environment, today and tomorrow. We want to succeed and continue to deliver products and services to meet patients' needs, so we must focus on our social and environmental performance now and always.

This is why we aim to generate value with our stakeholders through responsible management, integrating our values and stakeholders' needs into our decision-making processes and reducing the impact of our environmental footprint in order to ensure that ESTEVE will be will be a sustainable and profitable company in the long-term.

2019-2021 Goals

- Implement the due diligence procedure to ensure compliance with the Human Rights Policy.
- Establish and implement the Global Purchasing Policy which includes sustainability criteria in supplier selection and evaluation.
- Establish and implement the Anti-Money Laundering Policy.

2020

- Third Party Code approved and communicated.
- In 2020, we trained our people on our Code of Conduct, Anti-Bribery Policy, Patient and Health Care Organization Interaction Policies and Anti-Money Laundering Policy.

Building stakeholders' trust

At ESTEVE, we identify strategic priorities based on our business needs but also taking into account our stakeholders' relevant issues and concerns. Based on this information we align our corporate strategy, our procedures, and our goals.

Key conclusions of the analysis:



1. Issues related to management and governance are key for our stakeholders

2. Safety is the focus:

- Health and safety
 - Safety product
-

3. Internally, job stability is very relevant, and externally, innovation is a priority

4. When considering both the stakeholder relevance and the impact of each topic on ESTEVE's operations and reputation, environmental issues became more material, especially Circular Economy and Climate Change

5. New issues are arising:

- Bioethics
 - Innovation
 - Responsible marketing
-

All these topics are reported and addressed in the report.



Responsibility in everything we do

Corporate Social Responsibility (CSR) forms part of our DNA, our strategy and the way we do business, going beyond the legally established and always taking into account the following principles which are set out in the CSR policy approved by the Board of Directors:

We have defined an action plan in line with all these principles that come with various activities and awareness campaigns with the aim of improving people's quality of life, to increase responsible management of resources, reduce our carbon footprint, and ensure responsible business management.



CSR principles

1

Maintain a permanent, trusting dialog with our stakeholders

2

Employ good corporate governance practices and ensure conduct in our activities

3

Improve the health and well-being of society

4

Promote corporate social responsibility in our suppliers

5

Encourage an optimum working environment for our employees

6

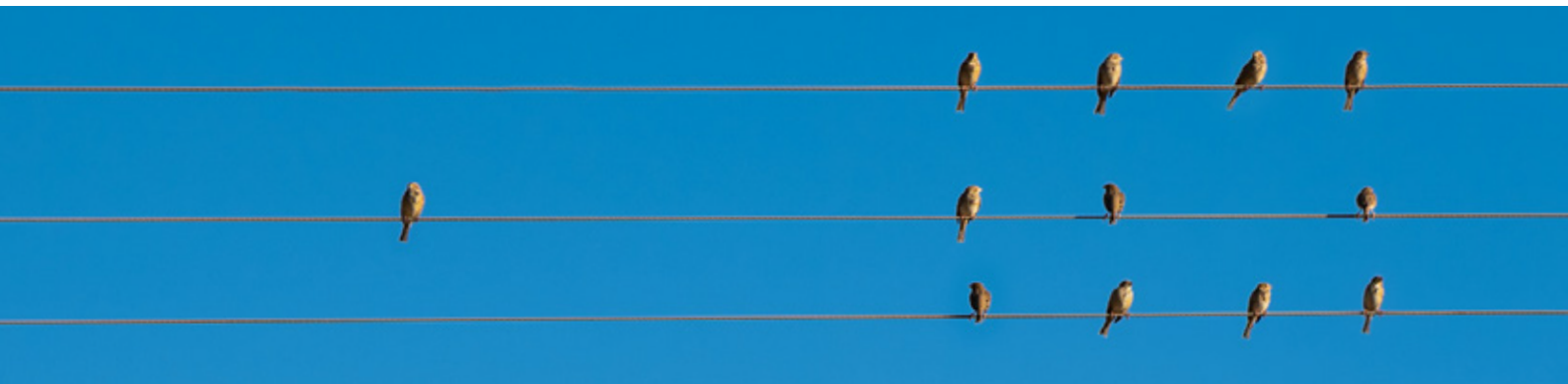
Work together with local communities

7

Preserve environment

8

Promote Corporate Social Responsibility



Sustainable Development Goals & 2030 Agenda

We believe that collaboration is the key to achieving our purpose and are committed to the 2030 Agenda and the Sustainable Development Goals (SDG), including the following:



SDG2: End hunger, achieve food security and improved nutrition, and promote sustainable agriculture

→ In line with goal number two, we collaborate with NGOs for the donation of food to entities and groups at risk of exclusion.



SDG 3: Ensure healthy lives and promote well-being for all at all ages

→ This is our mission and our key goal: we advocate for universal health coverage that allows access to essential health services for all.

→ We collaborate with the health system to strengthen and manage national and global health risks and we support research activities for minority products by establishing sustainable partnerships that are beneficial to all patients.



SDG 5: Achieve gender equality and empower all women and girls

→ We have an Equality Plan that guarantees productive and decent employment and assures equal opportunities between women and men within the company and avoids any type of employment discrimination. This plan also promotes the reconciliation of people's work and private lives. It also prevents and avoids harassment situations that could occur, establishing effective mechanisms for their detection and elimination.

SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all

→ We promote employment and Professional Development by ensuring goal number five in addition to goal number eight.

→ ESTEVE's Code of Conduct, mandatory for all our employees, protects labor rights and promotes a safe and secure working environment.

SUSTAINABLE DEVELOPMENT GOALS



SDG 12: Ensure sustainable consumption and production patterns

SDG 13: Take urgent action to combat climate change and its impacts

→ Climate change and health are directly related to one another. Our position in the fight against climate change is ambitious and incorporates both global initiatives and a clear awareness of the need to take action in our daily lives.

→ We constantly work to reduce the environmental impacts of our products, we improve the energy efficiency of our facilities, and opt for the use of renewable energies in our processes.

→ Also, we promote awareness and educational actions on climate change and the reduction of its effects.



SDG 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development

→ We aim for responsible and ethical business management by collaborating in partnerships that make our sustainability programs happen.



Beyond that established by law

As we are dealing with such a valuable asset as people's health, we need to do more than just adhere to the legal framework that applies to our activities.

The ESTEVE Group's Compliance Program is based on 4 pillars: the **Code of Conduct**, the **self-regulatory codes** in the sectors in which it operates, the **crime detection and prevention model**, and the **Third Party Code of Conduct** (to ensure that third parties are aware of and comply not only with the applicable legislation, but also with the regulations).

ESTEVE is fully committed to complying not only with the applicable legal and regulatory framework, but also with a whole series of values and principles that we consider essential.

ESTEVE's own Code of Conduct establishes certain commitments and expected behaviors, which include, among others, respect for legality, prevention of bribery, corruption, and conflicts of interest, support for the community, donations and sponsorships, and reliability of financial information.

Our commitment to the respecting of human rights is reflected in our Code of Conduct and materializes with our accession in 2002 to the United Nations Global Compact.

In addition, we have a Human Rights Policy, which is a step further in our commitment and establishes the principles that guide our business activity and our stakeholder relations.





We care about what we do
and especially about how
we do it.



Compliance highlights 2020

1.

Code of Conduct

Internal training and commitment renewed on a yearly basis by our employees.

2.

Crime detection and prevention Model

Followed by Continuous Improvement Cycle (do, verify, plan, act) by reviewing the Action Plan that is carried out periodically, verifying the initiatives raised and promoting new strategies.

3.

Self-regulatory codes

Internal training on Farmaindustria Code update.

3.

Third Party Code of Conduct

Established and currently under implementation.



2020

Training and technology have been key in 2020: we trained our people on our Code of Conduct, Anti-Bribery Policy, Patient & Health Care Organization Interaction Policies, and Anti-Money Laundering Policy, among others, using digital tools to ensure the effectiveness of the training programs.



The **Compliance Committee** is the ESTEVE Group's Compliance Program's supervisory and coordinating body established by the Audit Committee, which reports to the Board of Directors. It is presided over by the Chief Finance Officer and made up of the Compliance Officer, Internal Audit Director, Quality Director, EHS Global Director, Administration Director, Human Resources Director, and General Counsel.

The Compliance Officer reports to the General Counsel, CEO, and the Audit Committee.

Notifications received through the ethics channel

	2018	2019	2020
Asset protection	0	0	0
Equality, diversity, and non-discrimination	3	1	0
Prevention of bribery and corruption	0	0	0
Legal compliance	4	6	2
Conflict of interest	2	1	2
Total notifications	9	8	4

ESTEVE offers its employees various ways to address any doubts about the Code of Conduct and the policies implemented, as well as to issue notifications, make inquiries or complaints, and report any violations detected. The channels through which they can report these are as follows:

1.

By email (codigodeconducta@esteve.com) or (codeofconduct@esteve.com).

2.

By post (to the attention of the Internal Audit Directorate, ESTEVE, Passeig de la Zona Franca, 109, 4th floor, 08038 Barcelona, Spain).

3.

By contacting the Human Department.

Any violation reported or notification sent to Human Resources will be forwarded on to the Internal Audit Director.

In the reported years, this channel has not received any inquiries.

By 2020, one out of four notifications were substantiated and the appropriate actions were taken.



In 2020, we have decreased the number of notifications received through the ethics channel.



Sustainable purchasing

At ESTEVE, we have a Global Purchasing Policy to include the criteria and good practices applicable to human rights, labor, the environment, finance, and anti-corruption, principles included in our Code of Conduct and transposed to our labor, human rights and environmental policies in the supplier selection and evaluation process.

ESTEVE's Third-Party Code

incorporates the essential values and conduct with which all suppliers, Joint Ventures and other partners with whom we interact, such as distributors, licensees and co-marketers (hereinafter "Third Parties"), must comply. It has been inspired by the ESTEVE Code of Conduct and includes the Principles of the Pharmaceutical Supply Chain Initiative, the Ten Principles of the UN Global Compact, and the fundamental conventions of the International Labour Organization.

ESTEVE requires that its Third Parties comply with the standards defined in this Code. They are also expected to ensure that their own suppliers comply with standards that adhere to the same principles established in ESTEVE's Third- Party Code.

In 2020, we went a step further in our commitment by adding four qualification aspects for supplier evaluation: **Compliance, Sustainability, Legal, and Quality.**

These aspects are included in the questionnaires related to social matters. ESTEVE periodically audits its raw material suppliers in accordance with the risk analysis of the annual audit plan.

ESTEVE wants to create shared value with nearby communities by collaborating with entities that hire workers with disabilities. In Spain, we collaborate with six special employment centers.



ESTEVE's Third-Party Code includes the Principles of the Pharmaceutical Supply Chain Initiative, the Ten Principles of the UN Global Compact, and the fundamental conventions of the International Labour Organization.



ESTEVE's social performance

ESTEVE holds itself accountable for its social performance in three dimensions: patients, employees, and society.

It is our mission and we are committed to improving people's quality of life. And this has been especially important in 2020 due to the pandemic: we cannot forget the responsibility we have as a health care company.

We increased the number of donations in 2020 to support the people most affected by the pandemic by collaborating with Food Banks. Also, we increased our donations for the promotion of research and technological development, especially in relation to the pharmaceutical industry.

(in Euros)	2018	2019	2020
Health care organizations*	655,950	353,600	560,000
Civil society organizations	462,550	166,062	246,930
Total donated	1,138,100	519,662	806,930
Beneficiaries (people) of social action	3,327	3,130	5,874

*Including Fundación del Dr. Antoni Esteve.



"As a result of the severe food crisis caused by COVID-19, ESTEVE launched the preparation of free meals. A kitchen team totally dedicated to helping those most in need; 200 meals a day were prepared with the most sincere loving care".

Mónica Díaz
Management Assistant

COVID-19 initiatives during 2020

At ESTEVE, all our teams have been committed to and fully involved in initiatives to assist with health care and increase security during this pandemic.

As a health care company, **we have focused on ensuring the supply of essential and non-essential medicines** for our patients. Since the start of the pandemic we have put business continuity plans in place to ensure both the health of our employees and our operations and ensure that no patient is left without their medication.

We have also delivered personal protective equipment to both employees and health care professionals.

We have trained and delivered tools and procedures to allow work from home and job flexibility and created a psychological and emotional care service for our employees.

The pandemic has affected and will continue to affect people's health and economic sustainability and, also in line with SDG 2, we donated food for people at risk.



30,000
gloves



160,000
shoe covers



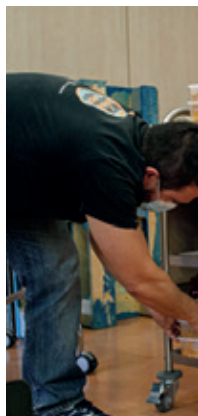
2,000
face masks



400
protective suits



1,200
gowns

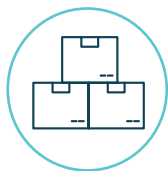




More than
18,000
meals donated to
Nutrició Sense Fronteres



More than
4t
of fresh fruit donated
to hospitals



More than
11t
of food donated to
Federación Española
de Bancos de Alimentos



Patient care

Our products and activities impact
7 million people.

We have been in contact with 60,000
health care professionals (doctors,
pharmacists, nurses) to work together
for the health and well-being of
patients.



2020

The medication we supply helps
more than 7 million people
worldwide.

Our reliability stems from high quality
standards. Our facilities are regularly
inspected by Health Authorities,
Good Manufacturing Practices are
implemented and continuously
monitored, and we have dedicated
customer service and regulatory affairs
teams allowing the highest quality
standards of compliance.

We work in close partnership with our
customers to understand their specific
needs and provide them with a tailor-
made, responsive approach.

We have signed an agreement with
FEDER (Federación Española de
Enfermedades Raras) to increase the
visibility of the situation of patients
with rare diseases.

ESTEVE has also been collaborating
with Sant Joan de Déu Hospital to
build the Pediatric Cancer Center
in Barcelona since the beginning of
the project. This center will be the
biggest in Europe and one of the
most important in the world.

Pharmacovigilance

ESTEVE's pharmacovigilance system is a key activity that contributes to the improvement of public health and complies with international regulations and European guidelines on good pharmacovigilance practices (GVP).

Our pharmacovigilance system is robust and mature but at the same time continues to evolve as new potential sources of safety data emerge thanks to digital health technologies, the Internet, and also as new local and international regulations are implemented which call for the handling of a growing amount of data from different sources that must be rigorously evaluated within the timeframes set to comply with regulations.

ESTEVE has established the basic principles of the Quality Management System of its Scientific Area to guarantee the highest standards of quality in clinical trials and

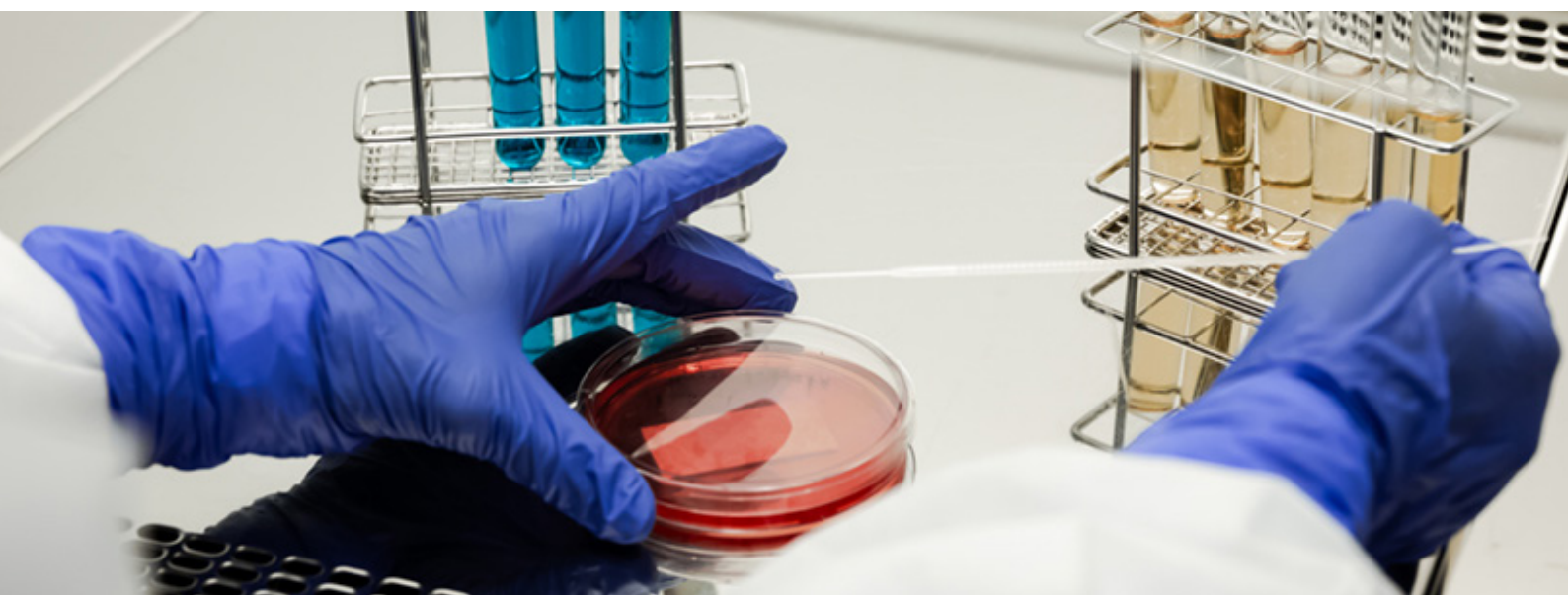
Pharmacovigilance, ensuring compliance with existing European regulations through audits and Standard Operating Procedures.

In 2020, five Pharmacovigilance audits were carried out for ESTEVE and 12 Partner Pharmacovigilance audits were carried out for Riemser.

The ultimate goal of pharmacovigilance activities at ESTEVE is to optimize the safe and effective use of drugs to obtain the maximum benefits for patients and thus protect them from potential risks.



Our pharmacovigilance system continues to evolve as new potential sources of safety data emerge.

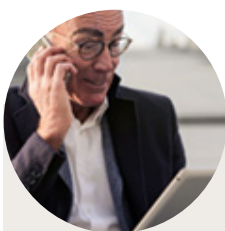




Customer Service

At ESTEVE, we have a customer management and service system to expedite the receipt and resolution of any query regarding ESTEVE products.

The team behind this service are easy to reach and possess a robust knowledge base that allows them to help their customers quickly and with transparency.



■ 2018 ■ 2019 ■ 2020

No. of queries received by Customer Service

942

1,356

1,691

Caring for society

Our employees are always very involved in the proposed volunteer activities.

This year, because of COVID-19, we have been unable to carry them out, but despite this, donations and collaborations have taken place with NGOs in line with SDG 2 - Zero Hunger.

Thanks to the generous contributions of our employees, our campaign to fight hunger raised a total of 11.3 tons of food for those in need.

At ESTEVE, we collaborate with local communities to improve health and well-being through agreements with associations, foundations, and NGOs, as well as participating in projects that have a positive impact on society.

Some examples of the projects we have been involved in during 2020 are as follows:



Collaboration with **Caritas** in its Paidos Porta project designed to break the cycle of intergenerational transmission of child poverty through family hosting and full child support.



Collaboration with **Farmacéuticos Mundi** to ensure fast and effective humanitarian aid to vulnerable populations facing a health crisis.



Collaboration with the **Occupational Risk Prevention International Foundation** in line with its aim of promoting companies' innovation and services to improve the quality of working life.



Collaboration with **Fundación Princesa de Girona** to promote youth employment.

At ESTEVE we are committed to improving quality of life focussing on different areas: the prevention of chronic pathologies, stimulation of networking, promotion of innovation, and the offering of tools and programs focused on patient care and health care system sustainability.

Mentorship Program

Goal: to increase the quality of health management and their leadership as reference professionals, both in public and private institutions.

→ In collaboration with SEDISA (Society of Health Care Executives).

Health Economic Evaluation Summit

Goal: to enhance political and economic sensitivity of health technology specialists to improve national health service sustainability.

→ HEES is a meeting point for specialists in economic evaluation of international drug pricing and financing policies.

→ In 2020, the first virtual international drug evaluation meeting took place with the participation of more than 250 professionals from four EU countries.

University Collaborations

Goal: to support students as they will be the leaders of tomorrow.

→ Program with the University of Valencia to encourage Economics students' interaction with health economic projects.



Employee care

At ESTEVE we are responsible for more than 1,600 employees spread over seven countries.

Distribution of employees per country*

	2018	2019	2020
Spain	1,721	1,686	920
China	320	295	341
Mexico	173	170	165
Germany	-	-	176
France	-	-	12
UK	-	-	6
US	42	46	1
Total	2,371	2,254	1,621

*The data does not have a precise comparable basis between years as the 2020 data includes Riemser's acquisition and the divestment of generics.

2019-2021 Goals

- Define and implement the Global Policy on equality, diversity, and non-discrimination.
- Training on the harassment protocol.
- Analyze actions to improve work-life balance.

2020

- Since 2019, we are part of the CEO for Diversity initiative to work on an advanced model for diversity, equality, inclusion, and non-discrimination.
- The psychosocial risk assessment procedure was revised, including the link with the equality protocol on the prevention of all types of harassment.
- Standardization of work-life measures continued, especially in 2020 during which employees were working remotely. We have promoted flexibility, training, and support for those working from home, and for those who had to continue attending their work stations.





Training and development

	2018	2019	2020
Average number of training hours per employee	24.3	19.8	21.5
% workforce trained	87,3	61	62.9

At ESTEVE, we aim to ensure the best working environment and promote healthy living habits among our employees.

ESTEVE is part of the European network of healthy companies, which are companies that not only ensure legal compliance with health aspects in the workplace, but also manage workers' health using a comprehensive approach and consider health in all company policies.

We recognize and reward innovative approaches and behaviors, and we respect the contributions of all employees. We

strive continuously to attract, promote, and retain the best talent and we encourage the development of new skills and the talent of our employees, with the aim of evolving towards a cultural transformation, in a safe, healthy, diverse, inclusive, and supportive environment.

We support quality jobs by working on a new organizational concept with a relationship and digitalization model that allows us to create a wholesome, safe, and healthy working environment through the implementation of management systems that follow the OHSAS 18001 international standards.



21.5
average training hours per employee*

63%
employees have received training*

*Training hours for Germany employees not included.



Equality, diversity, and inclusion

Equal opportunities and respect for diversity are part of ESTEVE's values. The company fosters equal opportunities and promotes non-discrimination on the basis of gender in selection, training, and promotion. We encourage permanent contracts and pay special attention to employment relationships.

ESTEVE joined the CEO for Diversity initiative, showing our commitment and leadership in terms of fairness, equality, and diversity. The model focuses on people's dignity, their fundamental rights, and the advantages and opportunities that diversity management offers to companies and their various stakeholders.

ESTEVE is making progress in terms of gender equality being a focal area for the coming years to continue increasing women's presence in all levels of the organization.



40%
of staff are women

We have implemented the equality protocol of Spanish companies in response to Organic Law 3/2007 for the effective equality of men and women, as well as the protocol to deal with any type of harassment.

Another way we take care of our employees is by offering tools to improve their professional development. All our managers offer guidance and training to ensure professional growth in line with SDG 8 (Sustainable Development Goal for Decent Work and Economic Growth)

ESTEVE pays particular attention to the needs of persons with disabilities. Its accessibility strategy addresses both physical and digital accessibility. ESTEVE is committed to the labor market insertion of persons with disabilities through collaboration with various organizations that promote their placement and development.

Within the benefits included for our employees, we have signed an agreement with an entity that offers holistic support to families with disabled children.

No. of beneficiaries of the Family Plan

2018	2019	2020
11	11	6

**The corporate strategy resulting in the divestment of generics led to a reduction of employees with children with disabilities within ESTEVE.*

Promotion of health in the workplace: ESTEVE, a Healthy Company

At ESTEVE, in accordance with our values and the Sustainable Development Goals, we take care of the **safety, health, and well-being of our employees**, maintaining OHSAS 18001:2004-certified health and safety management systems in our workplaces in Spain, China, and Mexico.

During 2020, we prepared **our System for adaptation to the new ISO45001:2018 Reference Standard** and it passed the migration audit during the first quarter of 2021.

The results of prevention management are measured in a table of key management indicators including the results of audits, accidents, and incident communication of both ESTEVE's staff and third-party staff collaborating in the conducting of ESTEVE's activities.



At ESTEVE we carry out our activities with respect for people by providing safe and healthy working conditions with special attention to the prevention of major accidents, health, environment, and goods, in compliance with current

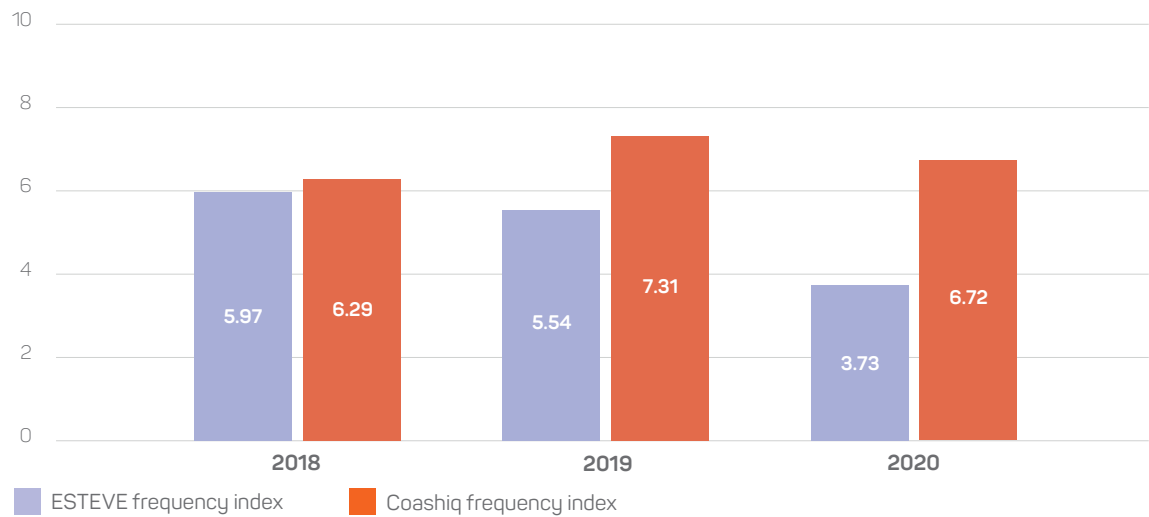
legislation and the requirements arising from other commitments made.

We use the best available practices and technologies to continuously improve control of the risk of accidents, incidents, and occupational diseases with the aim of eliminating risks over the whole lifecycle of our products and processes. We constantly review our procedures of the health and safety system that systematizes mechanisms to ensure that risks are continuously assessed, employees are trained according to the risks identified, and any incident or accident is investigated to avoid recurrence and reported in a transparent manner.

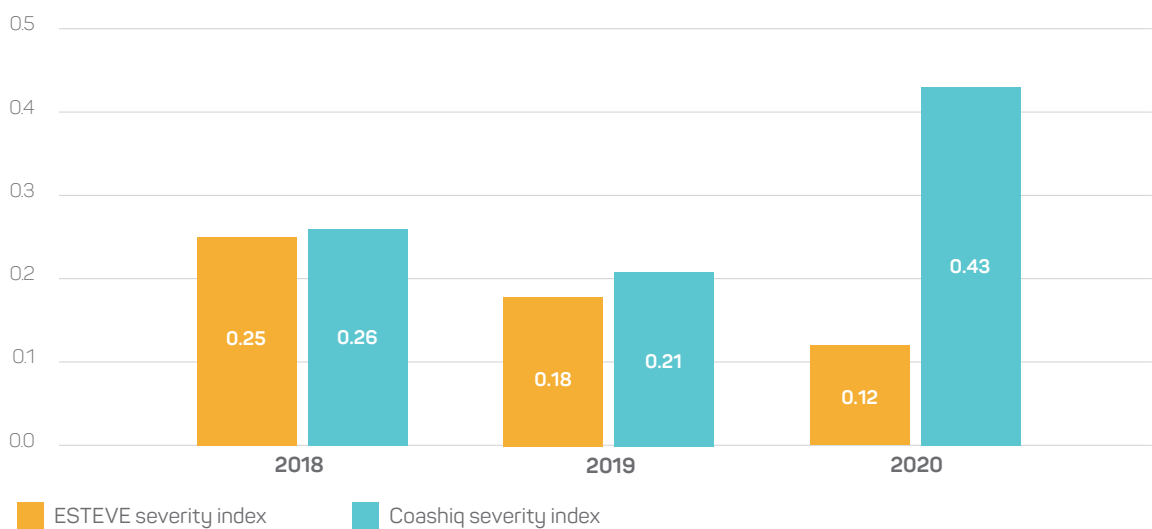
In accordance with current legislation and collective bargaining agreements, ESTEVE always ensures compliance with labor rights in all countries in which it is present. These conventions include interrelated aspects of occupational health and safety with an emphasis on the implementation of preventive measures and the promotion of relationships and dialog with workers' representatives. Workers committees, representatives, and partners are available for health and safety in all countries to ensure compliance with existing regulations and to carry out improvement actions in regular meetings, in addition to other information and worker participation circuits, such as mechanisms for providing opportunities for improvement or risk announcements.

With regard to workers' health services and programs, we have internal resources with a medical service that provides health care and health and welfare awareness campaigns, and which this 2020 has led information, training, control, and health criteria in actions arising from the management of the COVID-19 pandemic for the ESTEVE workers' collective."

Frequency index



Severity index



The total number of injuries of ESTEVE staff decreased in 2020, especially accidents without sick leave and commuter accidents, but it should be noted that the 2020 data does not include events from the generics activity. The number of accidents with sick leave in 2020 was the same as in 2019, 11 in total, when taking the same centers into account.



ESTEVE's frequency and severity figures have decreased, and are well below the sector reference figures for both indexes.

Environmental performance

Commitment to the environment

T rue to ESTEVE's Values; the Code of Conduct and the Sustainable Development Goals; ESTEVE updated its Global Health and Safety and Environmental Policy in May 2020.

2019-2021 Goals

- Define and implement the Global Policy on Climate Change.
- Initiatives that favor circular economy.

2020

- The Global Policy was approved in 2019 and it has been communicated through all internal and external channels.
- Various initiatives aimed at circularity in terms of waste management, recycling, and reuse are being implemented.

ESTEVE's Health and Safety and Environmental Policy reflects our position on climate change and:

→

Incorporates a commitment to reporting with transparency and reaffirms its commitment to conducting its activities with respect for people and the environment.

→

Provides safe and healthy conditions that ensure a high degree of safety protection.

→

Gives special focus to accident prevention in relation to health, the environment, and goods.

ESTEVE maintains Environmental Management Systems certified according to ISO14001 in all production and R&D centers, as well as in its offices in Barcelona, which passed the audits of accredited third parties. In addition, in response to local reference models in the countries where we operate, we have specific environmental certifications, such as the Clean Industry Certification of the Ministry of Environment and Natural Resources (SEMARNAT) of the Government of Mexico.

Our Environmental Management System, integrated with the Health and Safety System, allows us to address risks and opportunities by focusing our actions towards improved environmental performance and minimizing the impacts of our activities in a systematic manner.

Our position on climate change

Our commitment to climate change materialized in 2009 with our accession to the United Nations "Caring for Climate" program and was updated in 2019 with our Position on Climate Change, when as a company whose raison d'être is to care for patients and improve people's quality of life, we signed up to the urgent need to combat climate change and its health consequences for the planet and future generations.

At ESTEVE, we are committed to identifying, implementing, and measuring the results of initiatives that enable us to achieve our CO₂ emission reduction goals. We are working to build and quantify our ambition for the reduction of CO₂ emissions in line with the recommendations of the Task Force on Climate related Disclosures (TCFD) and the Science Based Target Initiative (SBT).

Our position incorporates action against physical risks and transition risks.



Physical risks, both acute and chronic, are those arising directly from climate change.



Transition risks are those related to the market, reputation, and technology, as well as regulatory risks.



"Global challenges such as the fight against climate change and its consequences for health, the planet, and future generations are our motivation to work with enthusiasm and perseverance".

Isabel Robles

Global EHS Director.

During 2020, we carried out specific training to expand on our various Carbon Footprint initiatives, implications, and calculation methodologies with the aim of expanding the scope of the carbon footprint in the scope 3 categories that are relevant to our activity and thus identifying real opportunities for emission reduction at the global level.

In addition, risks related to climate change from among the business continuity had been included in ESTEVE's Global Risk Map by 2020.

Our position has the following lines of action around which all actions aimed at reducing CO₂ emissions revolve:



Accelerating the **energy transition** by incorporating renewable energies.



Implementing improvements in **energy efficiency** in the facilities.

* The overall results of our carbon footprint in 2020, calculated according to the Greenhouse Gas Protocol (GHG protocol) can be found in the appendices.



Identifying **circular economy** actions.



Promoting improvements in **mobility and sustainable behaviors**.



Measuring the results and reporting them transparently.

During 2020, our commitment to reducing CO₂ emissions has also been renewed with the Voluntary Agreements program along with the Footprint Register of the Ministry of Ecological Transition. Some of the initiatives included are related to the installation of photovoltaic panels for self-consumption at our Celrà and Banyeres sites and progressive substitution of combustion vehicles with hybrid ones in our commercial fleet.

The actions carried out by ESTEVE during 2020 have also been affected by the COVID-19 situation in particular with regard to mobility, although we have not stopped taking action to achieve emission reduction targets such as:



665t of compensation through a new wind farm in China.



The conducting of an **energy audit**, at the Banyeres Plant (Tarragona) and Headquarters.



The installation of chargers for **electric vehicle** at the centers in Spain, and arrangement of electric vehicles to reinforce sustainable mobility between the centers.



Progressive replacement of conventional vehicles with **electric vehicles** in the commercial fleet.



Development of the **Torre Esteve Mobility Plan**.



Engineering and maintenance of the consumer installations at our sites such as:

- Performing an annual steam trap check, automatic **pump start-up** depending on the process temperature set-point at the Banyeres site,
- Using a heat exchanger to cool the brine instead of using a **compressor**, which is much more energetically demanding, at the Mexico site.
- Substituting fluorescent lights for **LED** ones at the Mexico site.

Industrial Emissions

At ESTEVE we comply with all applicable legal emission requirements in all countries in which we operate and we are working to reduce our carbon footprint by using renewable energy as the main source for our electrical consumption, leading us to minimize our emissions.

Solvent balances are carried out in the production centers with chemical activity in Spain, complying with the regulation of emissions of volatile organic compounds reported in the PRTR (European Pollutants Release and Transfer Register).

Our production plants have the following systems for the treatment of emissions from production processes:

**The overall results of our carbon footprint in 2020, calculated according to the Greenhouse Gas Protocol (GHG protocol) can be found in the appendices.*



Gas washers (scrubbers) in all industrial sites.



A **regenerative thermal oxidation** plant (RTO) in Celrà (Girona) and another in EHP (China).



Cryogenic plants at the Celràs Plant, Banyeres del Penedàs (Tarragona), and EHP (China).

Circular Economy

We are firmly committed to integrating circular economy criteria into our processes (both in resource consumption and waste generation), as the backbone of the organization, to be and have a multiplier effect in the fight against climate change.

In 2020, we implemented actions aimed at improving waste management and have worked intensively to identify actions aimed at segregating waste to maximize its value and reduce waste generation with the collaboration of the R&D, Production, Logistics, Procurement, and Health and Safety areas.

We have working to identify opportunities in the use of the resources necessary for our activities and understand waste as a useful resource, conserve existing resources, collaborate to create shared value, and review when possible the production processes or the use of new technologies.

As at 2020, we have 31% more consumption of raw materials and 38% more generation of waste. This also has a direct impact on the result of the carbon footprint.

Waste management

Using resources responsibly and generating minimal waste at the source are essential in the company's environmental management. Some of the priority actions we take to reduce the environmental impact of waste are:



Optimizing the management of solvent waste in chemical activity production plants.



Improving the segregation and recycling of waste.



Reducing containers and packaging in our pharmaceutical products.

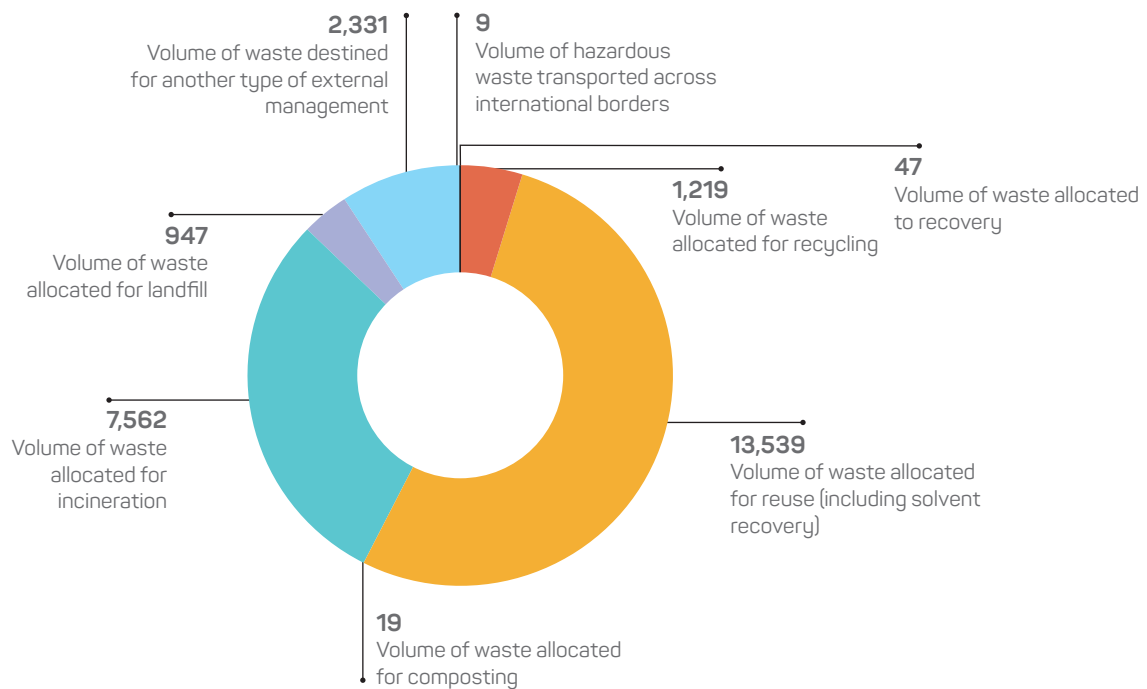


Collaborating with the SIGRE and ECOEMBES return systems in Spain for the collection of waste from the pharmaceutical products distributed.

The percentage of reduction of the packaging waste and packaging materials with respect to the net product (Kr/Kp) was 0.783, slightly increasing from the value of the previous year (0.691). It should be noted that the number of units sold in 2020 also differs from previous years due to the segregation of the generic activity and the impact of the pandemic on drug sales.

In 2020, the amount of hazardous waste in all ESTEVE centers was 24,982 tons, increasing by 46% from the generation of hazardous waste the previous year despite the efforts to minimize the impact of our processes. The main impact was that the plants' occupancy was higher

Distribution of the percentage of waste by destination



than in other years, added to reasons related to the COVID-19 pandemic situation, especially at the China site, where some waste operators have been working for some months and our plants have not had sufficient resources to perform pre-treatment on-site.

The management, treatment, and destination of the waste generated depends on its characteristics such as its composition, danger, and/or origin.

Despite the increase in generation, in 2020, 53% of the total amount was allocated for reuse, including solvent recovery, which is almost the same percentage as the previous year.

Water consumption



One of the pillars of environmental action at ESTEVE is the optimization of resources and their responsible management, and regarding water, consumption during 2020 was 10% lower than the water consumption for 2019. However, it should be noted that generics site data are not reported this year.

It generally comes from the supply network, with the exception of a site that uses water from its own wells, although to a lesser extent, representing 3% of the total water collected. The production plants with chemical activity in Spain and China have wastewater treatment plants and all production centers have systems that guarantee the management and that the quality of the water discharged

is adequate and always below that established by the legislation. During 2020, no significant spill that could have affected water quality occurred.

There are specific procedures incorporated into the management systems to maintain control of this environmental vector.

→

During 2020, all water was discharged through the public sewer system in the area in which we operate. The total amount of 340,784m³ of discharged water represents 84% of the total volume captured.

Raw materials

→

Regarding raw materials, 1,8% is reinvested in the processes themselves, which means a reuse of 558 tons of solvents in our chemical activity. Nevertheless, raw material consumption saw a 31 percent increase compared to 2019, mainly because of the impact of the China production site which also has a 52 percent increase.

Renewable energy

→

We estimate that 75% of consumption of grid electricity in the production centers of Spain during 2020 came from renewable sources, as the final guarantees of origin for electricity distributed to Esteve have not yet been published.

At Esteve we are working to consume only renewable energy in all the Spain production sites. Initiatives related to the installation of photovoltaic panels for self-consumption at our Celrà and Banyeres sites during the coming years would help us to achieve this goal.

Furthermore, there is a project to analyze and evaluate the energy management of these centers. The project will include energy audits to detect the opportunities and actions necessary to reduce consumption. In 2020, this was carried out for the Banyeres del Penedès center (Tarragona) and the company's Headquarters in Barcelona.

Consumption of raw materials, energy, and water vary depending on the production needs of the sites, which vary according to the portfolio of manufactured products.

		Unit	2018	2019	2020	Variation 2019-2020
EN1	Consumption of raw materials	t	27,319	22,922	30,057	31%
EN4	Electricity consumption	GJoules	249,745	234,702	159,544	-32%
EN4	Gas consumption	GJoules	173,062	166,320	81,450	-51%
EN8	Water consumption	m ³	500,356	450,263	404,018	-10%

*See appendices for consumption graphs.

Managing risk by adding value for business

At ESTEVE, we manage risks using a holistic and integrated approach, considering best practices and understanding the environment and trends. Established processes allow us to proactively identify, measure, and manage risks in order to make sure that we are able to achieve our corporate goals and protect our assets, people, and the environment, within a “Tone at the Top” culture lead from our Executive Management.

“To manage risk by adding value for business, considering all internal and external stakeholders and ensuring a robust control system from design to monitoring activities.” is ESTEVE’s risk management mission statement. All related activities should be in line with this.

As a Pharmaceutical company, ESTEVE is exposed to a variety of risk categories that we call the ESTEVE Risk Factors:

As part of our strategy, we conduct an

1. Regulatory, Legal, and Compliance Risks
2. Financial Risk
3. Business Risks
4. Operational Risks
5. Reputational Risk
6. Environmental, Social, and Governance Risks (ESG)

annual risk analysis with the goal of identifying strategic risks according to the ESTEVE Risk Factors. This is a multidisciplinary process that considers all the areas of the company represented by each Executive Management member. As a result of this process, the ESTEVE Risk Map is constructed and presented to the Audit Committee as well as the Board of Directors.

The Risk Map is monitored on a quarterly basis by Executive Management with the goal of detecting any changes that may affect risk assessment. The results of these reviews should be documented and action plans defined as needed.

Within the framework of the management systems that are in place, we annually review the evolution and trends of risks. The review includes those risks arising from social, environmental, human rights, and cyber security.

At ESTEVE, we continuously work to improve our risk management and internal control systems. This includes the development and updating of policies and procedures, approval limits, process design, and other aspects of governance, always considering a value-added approach.



"It has been a year of challenges, difficult times, and plenty of uncertainty, but we have been able to keep our bearings through the storm. All thanks to an amazing positive attitude and hard team work. We were able to reach our goals by keeping our focus on people; I choose to remember this".

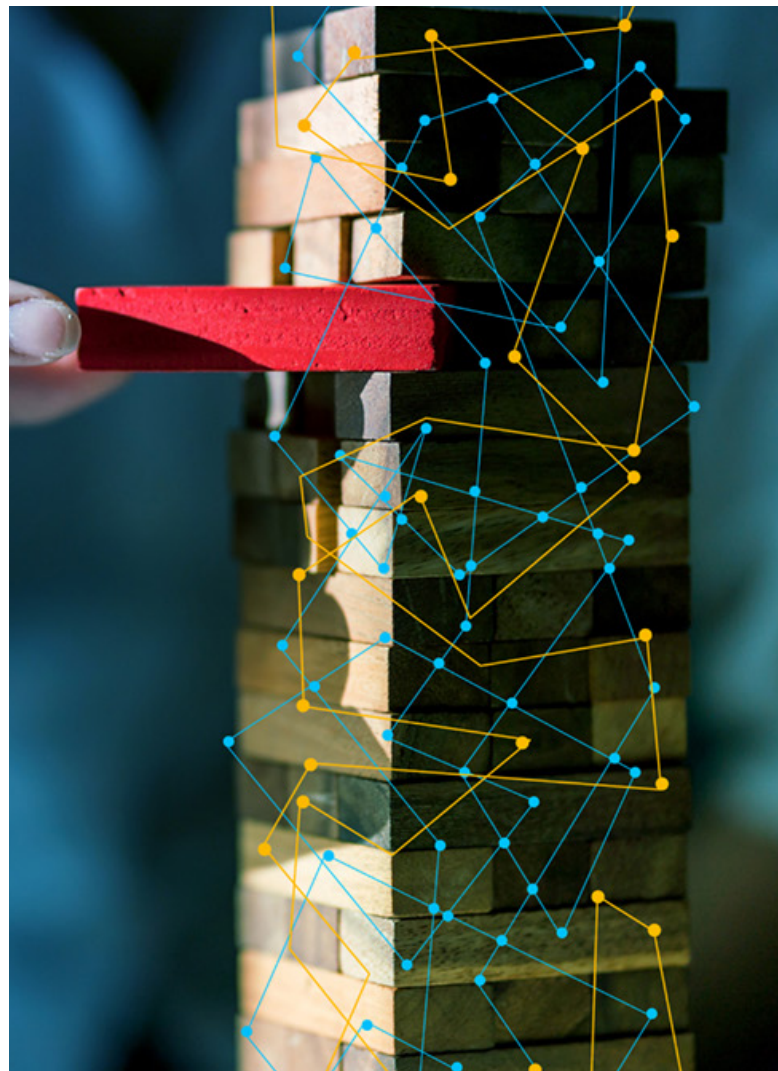
María Eguren

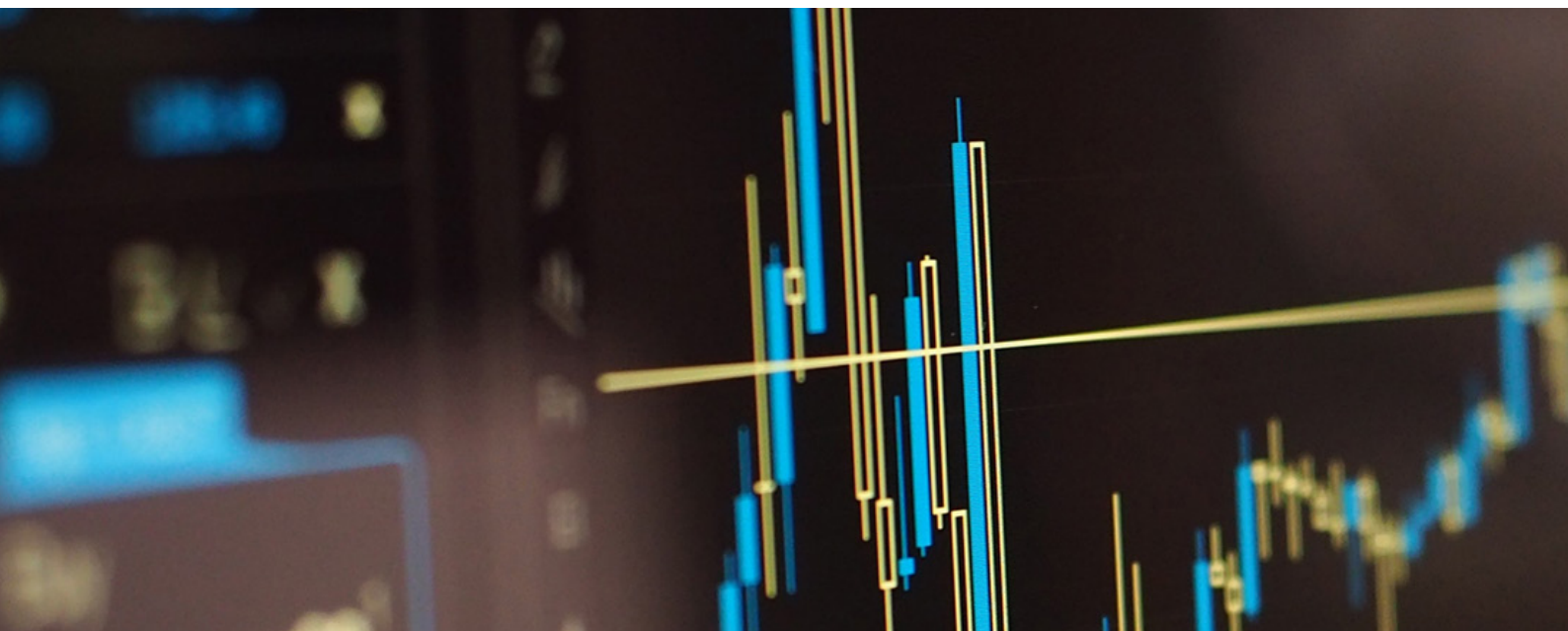
Global Risk Management Director

2020 HIGHLIGHTS

→ ESTEVE has faced a challenging year from a Risk Management perspective, in an unprecedented pandemic situation. ESTEVE has designed and put in place specific mechanisms to control COVID-19 risks from an integrated approach, monitoring risks on a regular basis with Executive Management and other governance bodies. These mechanisms allowed us to identify critical elements and put actions in place to avoid significant impact and keep the situation under control.

→ In line with ESTEVE's strategy, the new "Risk Management Policy" was approved by Executive Management. This policy defines risk management principles and framework, risk governance bodies, as well as strategic risk management and the internal control system and processes.





Risk Title	Risk Description	Mitigating Actions
Risk of not meeting customer needs. Mergers & Acquisitions failures	<ul style="list-style-type: none"> Failure to adapt to changing business conditions and execute Mergers & Acquisitions. 	<ul style="list-style-type: none"> Monitor market dynamics and unmet needs.
Impact on commercial performance	<ul style="list-style-type: none"> Commercial underperformance of key products, delays and pricing restrictions. 	<ul style="list-style-type: none"> Monitor market, local regulations, and product pipeline.
Outsourcing Risk	<ul style="list-style-type: none"> Risk inherited from third parties and outsourced activities. 	<ul style="list-style-type: none"> ESTEVE Third Party Code and monitoring processes for third party management.
Product Liability	<ul style="list-style-type: none"> Personal injuries and indirect damages resulting from ESTEVE products and services. 	<ul style="list-style-type: none"> Quality Management system, Product Risk Assessment process, and liability insurance program.
Financial risks	<ul style="list-style-type: none"> Financial Risks with special focus on Cash Flow & Liquidity, Market fluctuations, and Country Risk. 	<ul style="list-style-type: none"> Monitor cash flow, CAPEX, and market fluctuation.
Shortage of talent and inability to attract and retain it	<ul style="list-style-type: none"> Inefficient talent management could adversely affect our business. 	<ul style="list-style-type: none"> Talent Management Program.
Legal, regulatory, and compliance risks	<ul style="list-style-type: none"> Non-compliance actions or claims against applicable legal and compliance framework, regulations, and industry codes. 	<ul style="list-style-type: none"> Code of Conduct monitoring and Criminal Risks controls. Monitor legislative changes.



Risk Title	Risk Description	Mitigating Actions
Reputational risks	<ul style="list-style-type: none"> • Potential negative impact affecting key stakeholders' perception. 	<ul style="list-style-type: none"> • Communication protocols. • ESG topics relevant to ESTEVE are identified during the Annual Materiality analysis and regularly monitored.
IT Risks - Cyber Risk and Infrastructure block out	<ul style="list-style-type: none"> • Breaches in our cybersecurity system affecting key IT systems and critical infrastructure. • Breakdown/Block out of critical infrastructure (e.g. power energy, networks, internet providers, key systems). 	<ul style="list-style-type: none"> • Internal Cybersecurity measures implemented. • Monitoring tools implemented to evaluate performance of IT infrastructure
Business Interruption	<p>Business disruption due to production or supply issues:</p> <ul style="list-style-type: none"> • Accidents (fire, explosion, etc.). • Supply chain disruption. • Pandemics/Infectious diseases. • Climate change, adverse weather with exposure to natural disasters. 	<ul style="list-style-type: none"> • Business Continuity Plan (BCP). • Insurance program • EHS policies



Corporate Governance

At ESTEVE, we are committed to focusing on long-term value creation and protecting stakeholders' interests by applying: proper care, skill, and diligence to business decisions. This commitment is an important part of our values and is a requirement extended to every area of the Company.

The Company has established systems, procedures, and policies to ensure that its Board of Directors is well-informed and well-equipped to execute its overall responsibilities and provide the company's Management with strategic direction. This reflects ESTEVE's desire to continue at the forefront of transparency in corporate governance information as well as ensuring its full understanding by shareholders.

The Corporate Governance at ESTEVE has a dual management and control structure. The Board of Directors is responsible for strategic direction and the approval of general policies of ESTEVE and the Executive Management is responsible for the implementation of ESTEVE's strategy.

They work together for the benefit of the company with the main goal of consolidating ESTEVE as an International Proprietary Specialty Pharma Company.

Composition and responsibilities of the Shareholders, Board of Directors, and Executive Management

Shareholders

ESTEVE is a private family-owned Group. The General Shareholders Assembly reunites all the shareholders and is chaired by Albert Esteve. The shareholders ensure that the company's goals are met and that its overall performance in key governance areas is optimum.

The shareholders also play a key role in relation to society and are strongly committed to the values of the company.

The Board of Directors

The Board of Directors comprises 14 members, with a good balance in terms of skills and between proprietary Directors and Independent Directors. Part of their responsibility is to ensure that ESTEVE applies the proper ethical and social norms.

The goal is to ensure independent management and deliver sustainability for the company's future evolution. This model has been inspired by the good corporate governance practices of listed companies.

There are three Board Committees to provide support to the Board of Directors. These committees are formed by members of the Board and chaired by external directors.



[Audit Committee](#)



[Appointments and Remuneration Committee](#)



[Corporate Development and Strategy Committee](#)

When making decisions and in performing their duties for ESTEVE, members of the Executive Management and Board of Directors are not permitted to pursue their personal interests or grant other persons unjustified advantages. No conflicts of interest of members of the Managing Board or Supervisory Board were reported in the 2020 fiscal year.

Executive Management

The Executive Management at ESTEVE consists of 8 members, led by the Chief Executive Officer, Staffan Schüberg. It has representatives (Chiefs) of the most relevant functions in the organization combining extensive experience in Commerce, Operations, Business Development, R&D, Finance, Law, Communications and Public Affairs, and Human Resources as well as covering a variety of geographical regions. The Executive Management profile also provides group diversity in terms of high-quality educational background, age, and gender.



Our Board of Directors



Albert Esteve
Chairman of the Board
of Directors



Jesús Caínzos
Lead Director & Chairman
Corp Strategy Committee



Jacques Tapiero
Director & Chairman Audit
Committee



Julio Rodríguez
Director & Chairman
Appointments &
Remuneration Committee



Alessandro Banchi
Director



Sílvia Gil-Vernet
Director



Joaquim Monleón
Director



Antoni Esteve
Director



Santiago Descarrega
Director



Jordi Esteve
Director



Javier Cano
Director



Staffan Schüberg
Director & Chief Executive
Officer



Jordi Faus
Secretary of the Board
of Directors



Daniel Girona
Deputy Secretary
of the Board of Directors

Our Executive Management



Staffan Schüberg
Director & Chief Executive
Officer



Helle Juhl
Chief Human Resources
Officer



Pere Mañé
Chief Industrial & Operations
Officer



Jordi Muntañola
Chief Commercial Officer



Carlos Plata
Chief Scientific Officer
& Chief Medical Officer



Thomas Riisager
Chief Corporate Strategy
& Business Development
Officer



José Luis Urbieto
Chief Financial Officer



Ma Àngels Valls
Chief Communications
& Public Affairs Officer



For full CVs of our Board of Directors and Executive Management
www.esteve.com/global/about-us/corporate-governance

05 Appendices



Features of the report

In accordance with the provisions of Law 11/2018 of December 28, on non-financial information, certain companies, including ESTEVE, must prepare a non-financial statement of information to be incorporated into the management report or in a separate report for the same financial year. This report has been prepared in accordance with GRI: Essential Option standards, which can be consulted on the website www.globalreporting.org. The information contained in this report is for the 2020 financial year and includes information for the 2018-2020 period. In addition, the document has been verified by an independent external company, at the request of the Management of Corporación Químico-Farmacéutica Esteve.

The scope of this report has been established according to the relevance of the company's activities (Corporación Químico-Farmacéutica Esteve, S.A. or ESTEVE), taking into account the diversity of activities and also specifying the difference in impacts between production plants and marketing networks. In this sense, "places where significant operations are carried out" are considered to be countries with productive activity (Spain, China and Mexico).

The 2020 non-financial information statement has been prepared by a specific ESTEVE committee, thanks to the collaboration of a large number of professionals from various areas of the company. For issues related to this report you can contact the Communications and Public Affairs department at Passeig de la Zona Franca, 109, 08038, Barcelona; on 93 446 60 00, or via the following link: www.esteve.com/global/about-us/our-commitment

The companies included in this report are:



Spain

Esteve Pharmaceuticals S.A.
Esteve Química, S.A.



Germany

RIEMSER PHARMA GMBH
SW Pharma GMBH



United Kingdom

Intrapharm Laboratories, LTD
Peckforton Pharmaceuticals LTD



France

Riemser Pharma France SAS
Keocyt SAS



China

Esteve Huayi
Pharmaceutical, LTD



Mexico

Sintenovo, S.A. de C.V.
Servichem, S.A. de C.V.

Good practices, management, & regulatory standards of our industrial/development sites

ESTEVE operates in accordance with good practices and management systems, obtaining and renewing certificates at its various facilities.

Good manufacturing practices

	Generalitat de Catalunya. Departament de Salut	EMA (European Medicines Agency)	AEMPS (Agencia Española del Medicamento y productos sanitarios)	FDA (Food & Drug Administration, US)	PMDA (Pharmaceutical & Medicine Devices Agency, Japan)	KFDA (Korea Food & Drug Administration)	COFEPRIS (Comisión Federal para la protección contra riesgos sanitarios, México)	CFDA (China Food & Drug Administration, China)	Ministry um für Soziales, Gesundheit, Frauen und Familie (local authority)
Celrà, Spain	2018		2018	2020	2007	2015			
Banyeres del Penedès, Spain	2018		2019	2020		2011			
EHP, China		2019	2011	2019	2018	2017		2018	
Sintenovo, Mexico			2010	2017			2018		
R&D chemical site, Spain	2018			2015					
Schiffweiler, Germany									2020



Certified Management Systems

	ISO 14001:2015	OHSAS 18001:2007	Clean Industry Certificate	Good practices in promoting health at work
	Environmental	Health and safety	Clean Industry	Healthy Company
Celrà, Spain	2020	2020		2018
Banyeres del Penedès, Spain	2020	2020		2018
Shaoxing, China	2018	2018		
Jiutepec, Mexico	2019	2019	2020	
R&D chemical site, Spain	2020	2018		2018
Torre Esteve, Spain	2020	2020		

Materiality Analysis

Every year we carry out a materiality process, which includes our stakeholders map review, questionnaire, and discussion and a final report with the key aspects for both ESTEVE and all our stakeholders. Based on this information, we align our corporate strategy, our procedures, and our goals.

An analysis of external and internal information has been carried out firstly to detect key issues in the sector, taking into account their impact on the activities, products, services, and relationships of the organization, outside and within.

We have identified the following stakeholders: employees, shareholders, suppliers, strategic partners, patients, customers, health professionals, administration, civil society, association, competitors, and media.

As a result of the internal and external analysis, we have identified: 26 relevant topics, made up of 64 material issues.

Based on the 26 topics identified, a questionnaire had been prepared to assess the importance of these topics for more than 100 stakeholders in 6 countries.

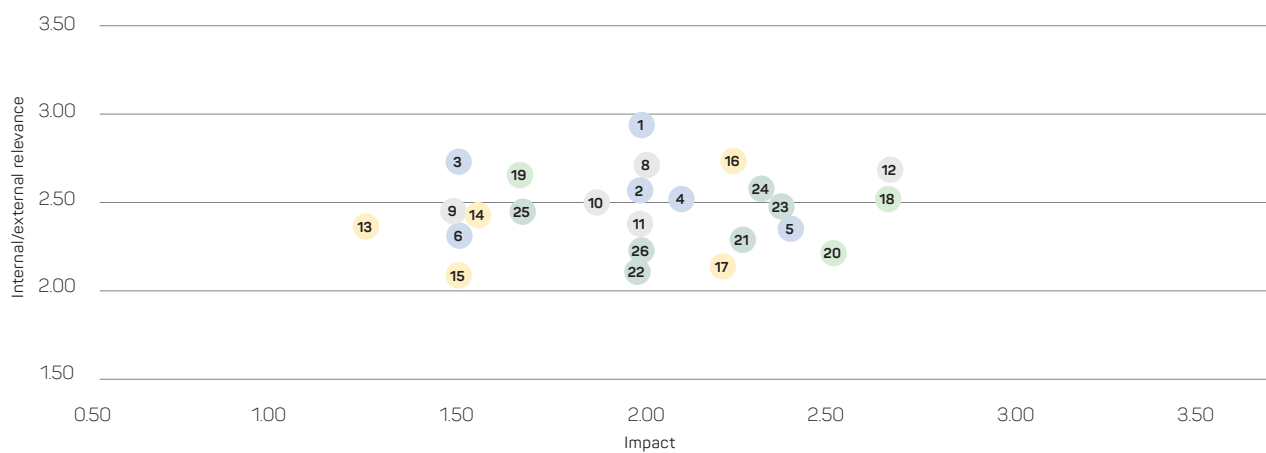
As the final stage of the materiality analysis, a prioritization of the relevant aspects identified was carried out, according to their impact on ESTEVE's operations and reputation.

Main conclusions of the analysis:



1.
Issues related to the management and government are key for our stakeholders
2.
Safety is the focus:
 - Health and safety
 - Safety products
3.
Internally, job stability is very relevant, and externally, innovation is a priority
4.
When considering both the stakeholder relevance and the impact of each topic on ESTEVE's operations and reputation, environmental issues became more material, especially Circular Economy and Climate Change
5.
New issues are arising:
 - Bioethics
 - Innovation
 - Responsible marketing

Materiality Analysis main conclusions. Prioritization of the topics - Materiality Matrix



	Topics	Code
Environment	Environmental commitment	1
	Energy management	2
	Water management	3
	Consumption of materials	4
	Circular economy and waste management	5
	Biodiversity	6
	Climate Change	7
People	Job stability	8
	Promotion of employee well-being	9
	Diversity and equality	10
	Leadership and talent development	11
	Health and Safety	12

	Topics	Code
Society	Access to health care products	13
	Community contribution	14
	Employment promotion	15
	Human Rights	16
	Health and well-being of society	17
Product Management	Safety products	18
	Supplier management	19
	Innovation	20
Government	Responsible business	21
	Risk management	22
	Compliance	23
	Ethics and Integrity	24
	Communication and transparency	25
	Responsible marketing	26

Commitment to sustainability

Our commitment to sustainability is embodied by our adherence to the following external initiatives:

10 principles of the United Nations Global Compact	Committed to human rights, the dignity of working conditions, protection of the environment, and the fight against corruption. Member since 2002.
United Nations Caring for Climate initiative	Commitment to combating climate change. Member since 2009.
Global Reporting Initiative (GRI)	Commitment to transparency through the publication of the <i>Non-Financial Information Statement</i> according to the international GRI standards. Since 2008.
Sector Codes of Good Practice	Member of the Code of Good Practice of the pharmaceutical industry in the countries in which we operate, which regulate, among other aspects, the promotion of products and the relationships between health professionals and organizations.
Advertising Code of Conduct	Member of the Association for the Self-Regulation of Commercial Communication and adhered to the Advertising Code of Conduct.
Luxembourg Declaration	Commitment to promoting health in the workplace. Member since 2015.
Agenda 21 – Citizen Commitment to Sustainability	Initiative in which three business sectors (business, public, and non-profit) take part, consisting of a road map for the sustainability of Barcelona (2012-2022).
Carbon Footprint Register for the reduction of CO ₂	Entry in the Carbon Footprint Register, carbon dioxide emission offsetting and reduction projects promoted by the Spanish Government. Since 2016.
Voluntary Accords to reduce CO ₂	Adherence to the “Voluntary Accords” programme for the reduction of greenhouse gases, promoted by the Catalan Department for Climate Change of the Catalan government. Since 2016.
PSCI	Adherence to the sector initiative called the Pharmaceutical Supply Chain Initiative to establish and promote responsible practices in the supply chain. Since 2017.
Clean Industry	Adherence to the voluntary “Clean Industry” programme by the Mexican government to ensure compliance with environmental legislation and the implementation of good practices in this area. Since 2018.



List of memberships

ESTEVE is a member and actively collaborates with the following institutions:

Institutions in the chemical-pharmaceutical sector

- Spanish Association for the Pharmaceutical Industry (Farmaindustria)
- Business Federation for the Spanish Chemical Industry (FEIQUE))
- Spanish Association for Self-Medication Health Care (ANEFP)
- Spanish Association of Fine Chemical Manufacturers (AFAQUIM)
- Catalonia Bio & Health Tech (CATBIO&HT)
- General Council of Official Colleges of Pharmacists (CGCOF)

Staff-related matters

In 2020, ESTEVE acquired Riemser (with affiliates in Germany, France, and the UK) and divested the Spain generics business.

Note: Rest of Europe includes: Portugal, Italy, and Ireland.

Employment

1. Distribution of employees by gender																	
Country	2018					2019					2020						
	Women	%	Men	%	Total	Women	%	Men	%	Total	Women	%	Men	%	Total		
Spain	716	42%	1,005	58%	1,721	694	41%	992	59%	1,686	403	44%	517	56%	920		
China	77	24%	243	76%	320	74	25%	221	75%	295	71	21%	270	79%	341		
Mexico	42	24%	131	76%	173	39	23%	131	77%	170	40	24%	125	76%	165		
Germany	–	–	–	–	–	–	–	–	–	–	119	68%	57	32%	176		
France	–	–	–	–	–	–	–	–	–	–	9	75%	3	25%	12		
UK	–	–	–	–	–	–	–	–	–	–	2	33%	4	67%	6		
US	24	57%	18	43%	42	27	59%	19	41%	46	1	100%	0	0%	1		
Rest of Europe	42	37%	73	63%	115	27	47%	30	53%	57	–	–	–	–	–		
TOTAL	901	38%	1,470	62%	2,371	861	38%	1,393	62%	2,254	645	40%	976	60%	1,621		

2. Distribution of employees by age																	
Country	2018						2019						2020				
	<30	%	30-50	%	>50	Total	<30	%	30-50	%	>50	Total	<30	%	30-50	%	>50
Spain	81	5%	1,251	73%	389	1,721	72	4%	1,193	71%	421	1,686	45	5%	584	63%	291
China	92	29%	221	69%	7	320	66	22%	221	75%	8	295	74	22%	260	76%	7
Mexico	45	26%	118	68%	10	173	35	21%	123	72%	12	170	33	20%	118	72%	14
Germany	–	–	–	–	–	–	–	–	–	–	–	–	11	6%	116	66%	49
France	–	–	–	–	–	–	–	–	–	–	–	–	4	33%	8	67%	0
UK	–	–	–	–	–	–	–	–	–	–	–	–	0	0%	4	67%	2
US	4	10%	25	60%	13	42	4	9%	21	46%	21	46	0	0%	0	0%	1
Rest of Europe	10	9%	93	81%	12	115	5	9%	46	81%	6	57	–	–	–	–	–
TOTAL	232	10%	1,708	72%	431	2,371	182	8%	1,604	71%	468	2,254	167	10%	1,090	67%	364

3. Distribution of employees by professional category

2018												2019											
Country	D	%	T	%	A	%	SL	%	ST	%	Total	D	%	T	%	A	%	SL	%	ST	%	Total	
Spain	55	3%	780	45%	108	6%	341	20%	434	25%	1,718	66	4%	755	45%	101	6%	332	20%	432	26%	1,686	
China	9	3%	133	42%	66	21%	0	0%	112	35%	320	10	3%	125	42%	60	20%	0	0%	100	34%	295	
Mexico	11	6%	84	49%	7	4%	0	0%	71	41%	173	7	4%	87	51%	6	4%	0	0%	70	41%	170	
Germany	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
France	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
UK	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
US	2	5%	9	21%	25	60%	6	14%	0	0%	42	13	28%	14	30%	17	37%	2	4%	0	0%	46	
Rest of Europe	5	4%	16	14%	7	6%	87	76%	0	0%	115	3	5%	9	16%	12	21%	33	58%	0	0%	57	
TOTAL	82	3%	1,022	43%	213	9%	434	18%	617	26%	2,368	99	4%	990	44%	196	9%	367	16%	602	27%	2,254	

Note: (D) Directors, (T) Technicians, (A) Administrative, (SL) Sales, (ST) Sites.

2020											
Country	D	%	T	%	A	%	SL	%	ST	%	Total
Spain	50	5%	380	41%	62	7%	268	29%	160	17%	920
China	10	3%	40	12%	41	12%	0	0%	250	73%	341
Mexico	8	5%	84	51%	5	3%	0	0%	68	41%	165
Germany	15	9%	127	72%	9	5%	9	5%	16	9%	176
France	1	8%	0	0%	11	92%	0	0%	0	0%	12
UK	4	67%	0	0%	2	33%	0	0%	0	0%	6
US	0	0%	1	100%	0	0%	0	0%	0	0%	1
Rest of Europe	-	-	-	-	-	-	-	-	-	-	-
TOTAL	88	5%	632	39%	130	8%	277	17%	494	30%	1,621

Note: (D) Directors, (T) Technicians, (A) Administrative, (SL) Sales, (ST) Sites.

4. Distribution of employees by type of contract

Country	2018					2019					2020				
	P	%	T	%	Total	P	%	T	%	Total	P	%	T	%	Total
Spain	1,702	99%	19	1%	1,721	1,665	99%	21	1%	1,686	894	97%	26	3%	920
China	228	71%	92	29%	320	237	80%	58	20%	295	252	74%	89	26%	341
Mexico	173	100%	0	0%	173	166	98%	4	2%	170	164	99%	1	1%	165
Germany	–	–	–	–	–	–	–	–	–	–	165	94%	11	6%	176
France	–	–	–	–	–	–	–	–	–	–	11	92%	1	8%	12
UK	–	–	–	–	–	–	–	–	–	–	6	100%	0	0%	6
US	42	100%	0	0%	42	46	100%	0	0%	46	1	100%	0	0%	1
Rest of Europe	114	99%	1	1%	115	55	96%	2	4%	57	–	–	–	–	–
TOTAL	2,259	95%	112	5%	2,371	2,169	96%	85	4%	2,254	1,493	92%	128	8%	1,621

Note: (P) Permanent, (T) Temporary.

5. Annual average of permanent and temporary contracts by gender

Country	2018									2019								
	Permanent				Temporary					Permanent				Temporary				
	Women	%	Men	%	Women	%	Men	%	Total	Women	%	Men	%	Women	%	Men	%	Total
Spain	777	42%	1,047	56%	25	1%	12	1%	1,861	691	41%	990	58%	8	0%	10	1%	1,699
China	58	18%	170	53%	20	6%	72	23%	320	57	19%	180	61%	17	6%	41	14%	295
Mexico	42	24%	131	76%	0	0%	0	0%	173	38	22%	128	75%	1	1%	3	2%	170
Germany	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
France	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
UK	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
US	25	46%	29	54%	0	0%	0	0%	54	27	57%	20	43%	0	0%	0	0%	47
Rest of Europe	47	39%	71	60%	0	0%	1	1%	119	28	47%	29	48%	1	2%	2	3%	60
TOTAL	949	38%	1,448	57%	45	2%	85	3%	2,527	841	37%	1,347	59%	27	1%	56	2%	2,271

2020									
Country	Permanent				Temporary				Total
	Women	%	Men	%	Women	%	Men	%	
Spain	422	43%	533	55%	11	1%	7	1%	973
China	61	18%	191	56%	10	3%	79	23%	341
Mexico	40	24%	125	74%	2	1%	2	1%	169
Germany	113	64%	52	30%	6	3%	5	3%	176
France	8	67%	3	25%	1	8%	0	0%	12
UK	2	33%	4	67%	0	0%	0	0%	6
US	1	100%	0	0%	0	0%	0	0%	1
Rest of Europe	–	–	–	–	–	–	–	–	–
TOTAL	647	39%	908	54%	30	2%	93	6%	1,678

6. Annual average of full-time and part-time contracts by gender

2018										2019									
Full-time					Part-time					Full-time					Part-time				
Country	Women	%	Men	%	Women	%	Men	%	Total	Women	%	Men	%	Women	%	Men	%	Total	
Spain	794	43%	1,058	57%	8	0%	1	0%	1,861	625	37%	996	59%	74	4%	4	0%	1,699	
China	77	24%	243	76%	0	0%	0	0%	320	74	25%	221	75%	0	0%	0	0%	295	
Mexico	42	24%	131	76%	0	0%	0	0%	173	39	23%	131	77%	0	0%	0	0%	170	
Germany	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
France	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
UK	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
US	25	46%	29	54%	0	0%	0	0%	54	27	57%	19	40%	0	0%	1	2%	47	
Rest of Europe	48	40%	71	60%	0	0%	0	0%	119	30	50%	29	48%	0	0%	1	2%	60	
TOTAL	986	39%	1,532	61%	8	0%	1	0%	2,527	795	35%	1,396	61%	74	3%	6	0%	2,271	
2020																			
Full-time										Part-time									
Country	Women		%		Men		%		Total	Women		%		Men		%		Total	
Spain	389		40%		539		55%		973	44		5%		1		0%		973	
China	71		21%		270		79%		341	0		0%		0		0%		341	
Mexico	42		25%		127		75%		169	0		0%		0		0%		169	
Germany	88		50%		54		31%		176	31		18%		3		2%		176	
France	9		75%		3		25%		12	0		0%		0		0%		12	
UK	1		17%		4		67%		6	1		17%		0		0%		6	
US	1		100%		0		0%		1	0		0%		0		0%		1	
Rest of Europe	-		-		-		-		-	-		-		-		-		-	
TOTAL	601		36%		997		59%		1,678	76		5%		4		0%		1,678	

7. Annual average of permanent and temporary contracts by age

2018														2019											
Country	Permanent						Temporary						Total	Permanent						Temporary					
	<30	%	30-50	%	>50	%	<30	%	30-50	%	>50	%		<30	%	30-50	%	>50	%	<30	%	30-50	%	>50	%
Spain	66	4%	1,308	70%	451	24%	19	1%	18	1%	0	0%	1,862	66	4%	1,212	71%	403	24%	10	1%	9	1%	0	0%
China	35	11%	186	58%	7	2%	57	18%	35	11%	0	0%	320	29	10%	200	68%	8	3%	37	13%	21	7%	0	0%
Mexico	43	25%	120	69%	10	6%	0	0%	0	0%	0	0%	173	34	20%	120	71%	12	7%	1	1%	3	2%	0	0%
Germany	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
France	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
UK	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
US	9	14%	33	52%	21	33%	1	2%	0	0%	0	0%	64	4	9%	25	53%	18	38%	0	0%	0	0%	0	0%
Rest of Europe	11	10%	91	80%	11	10%	1	1%	0	0%	0	0%	114	5	8%	45	75%	7	12%	0	0%	3	5%	0	0%
TOTAL	164	6%	1,738	69%	500	20%	78	3%	53	2%	0	0%	2,533	138	6%	1,602	71%	448	20%	48	2%	36	2%	0	0%

2020													
Country	Permanent						Temporary						Total
	<30	%	30-50	%	>50	%	<30	%	30-50	%	>50	%	
Spain	31	3%	617	63%	307	32%	9	1%	9	1%	0	0%	973
China	32	9%	213	62%	7	2%	42	12%	47	14%	0	0%	341
Mexico	33	20%	118	70%	14	8%	2	1%	2	1%	0	0%	169
Germany	8	5%	111	63%	46	26%	3	2%	5	3%	3	2%	176
France	3	25%	8	67%	0	0%	1	8%	0	0%	0	0%	12
UK	0	0%	4	67%	2	33%	0	0%	0	0%	0	0%	6
US	0	0%	0	0%	1	100%	0	0%	0	0%	0	0%	1
Rest of Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	107	6%	1,071	64%	377	22%	57	3%	63	4%	3	0%	1,678

8. Annual average of full-time and part-time contracts by age

2018														2019													
Full-time								Part-time						Full-time								Part-time					
Country	<30	%	30-50	%	>50	%	<30	%	30-50	%	>50	%	Total	<30	%	30-50	%	>50	%	<30	%	30-50	%	>50	%	Total	
Spain	85	5%	1,323	71%	445	24%	0	0%	3	0%	6	0%	1,862	74	4%	1,151	68%	396	23%	1	0%	70	4%	7	0%	1,699	
China	92	29%	221	69%	7	2%	0	0%	0	0%	0	0%	320	66	22%	221	75%	8	3%	0	0%	0	0%	0	0%	295	
Mexico	43	25%	120	69%	10	6%	0	0%	0	0%	0	0%	173	35	21%	123	72%	12	7%	0	0%	0	0%	0	0%	170	
Germany	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
France	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
UK	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
US	10	16%	33	52%	21	33%	0	0%	0	0%	0	0%	64	4	9%	24	51%	18	38%	0	0%	1	2%	0	0%	47	
Rest of Europe	12	11%	91	80%	11	10%	0	0%	0	0%	0	0%	114	6	10%	47	78%	6	10%	0	0%	0	0%	1	2%	60	
TOTAL	242	10%	1,788	71%	494	20%	0	0%	3	0%	6	0%	2,533	185	8%	1,566	69%	440	19%	1	0%	71	3%	8	0%	2,271	

2020

	Full-time						Part-time						
Country	<30	%	30-50	%	>50	%	<30	%	30-50	%	>50	%	Total
Spain	39	4%	588	60%	301	31%	0	0%	39	4%	6	1%	973
China	74	22%	260	76%	7	2%	0	0%	0	0%	0	0%	341
Mexico	35	21%	120	71%	14	8%	0	0%	0	0%	0	0%	169
Germany	11	6%	92	52%	40	23%	0	0%	24	14%	9	5%	176
France	4	33%	8	67%	0	0%	0	0%	0	0%	0	0%	12
UK	0	0%	3	50%	2	33%	0	0%	1	17%	0	0%	6
US	0	0%	0	0%	1	100%	0	0%	0	0%	0	0%	1
Rest of Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	163	10%	1,071	64%	365	22%	0	0%	64	4%	15	1%	1,678

9. Distribution of dismissals by age, professional category, and gender

2020

Age					Professional Category						Gender		
Country	<30	30-50	>50	Total	Directors	Technicians	Administrative	Sales	Sites	Total	Women	Men	
Spain	52	1	20	31	52	6	18	11	14	3	52	26	26
China	9	4	4	1	9	0	0	0	0	9	9	0	9
Mexico	13	3	9	1	13	1	3	2	0	7	13	3	10
Germany	2	0	0	2	2	2	0	0	0	0	2	0	2
France	0	0	0	0	0	0	0	0	0	0	0	0	0
UK	9	0	3	6	9	2	0	0	7	0	9	3	6
US	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	85	8	36	41	85	11	21	13	21	19	85	32	53

Diversity, equality, inclusion

1. Employees with disabilities					
	2018	2019	2020		
Country			Women	Men	Total
Spain	-	-	2	1	3
China	-	-	0	1	1
Mexico	-	-	0	0	0
France	-	-	0	0	0
Germany	-	-	4	1	5
UK			0	0	0
US	-	-	0	0	0
Total	13	17	6	3	9

2. Number of beneficiaries of The Family Plan

	2018	2019	2020
	11	11	6

Training and development

1. Total number of training hours by professional category

2020						
Country	Total	Directors	Technicians	Administrative	Sales	Sites
Spain	5,116	38	2,928	56	32	2,061
China	26,575	635	3,043	3,452	0	19,445
Mexico	2,920	71	961	52	0	1,837
Germany	0	0	0	0	0	0
France	168	14	0	154	0	0
UK	0	0	0	0	0	0
US	0	0	0	0	0	0
TOTAL	34,778	758	6,932	3,714	32	23,343
Average training hours	21.5					

*No record available for Germany and UK

2. Total number of training hours by country

2020	
Country	Number of employees
Spain	498
China	341
Mexico	172
Germany	0
France	9
UK	0
US	0
TOTAL	1,020
% Trained employees	62.9%

Remuneration

1. Average remuneration by professional category															
	2018					2019					2019				
	D(*)	T	A	S	FW	D	T	A	S	FW	D	T	A	S	FW
Women	146,901	45,662	39,027	66,040	28,873	143,179	47,188	37,027	64,422	30,291	144,312	52,353	39,405	69,032	18,288
Men	201,633	42,507	55,051	64,960	26,047	188,190	43,086	30,235	69,056	26,351	163,384	48,157	29,454	74,170	18,974

Note: (D) Directors, (T) Technicians, (A) Administrative, (S) Sales, (FW) Factory workers.

2. Average remuneration by age			
	2018	2019	2020
<30	19,943.99	21,017.71	20,330.18
30-50	44,957.74	44,078.94	44,566.39
>50	76,770.10	74,558.94	75,458.35

The average remuneration of the Bord Directors was 319,585 euros in 2020.

This amount is not broken down by gender for confidentiality reasons, as there is only one woman on the Board.

3. Average remuneration by professional category

2020			
	Total employees	Average total remuneration	Gap
DIRECTORS	86	157,396.23	11.67%
Women	27	144,312.17	
Men	59	163,383.85	
TECHNICIANS	632	50,447.61	-8.71%
Women	345	52,353.30	
Men	287	48,156.80	
ADMINISTRATIVE	130	36,037.05	-33.79%
Women	86	39,405.20	
Men	44	29,453.84	
SALES	277	71,647.70	6.93%
Women	136	69,032.29	
Men	141	74,170.36	
SITES	494	18,903.31	3.61%
Women	51	18,288.46	
Men	443	18,974.10	
Total	1,619	48,973.71	

4. Wage gap by gender

2020			
	Total employees	Average total remuneration	Gap
Women	645	55,299	-23.48%
Men	974	44,784	
Total	1,619	48,973	

*Gap definition: gross annual women's salary/annual men's salary.

Employee collective bargaining agreements

2020	
Country	
Spain	920
China	341
Mexico	68
Germany*	176
France	12
UK	6
US	0
TOTAL	1,517
% Employees with collective bargaining agreements	93.6%

*No collective bargaining agreements with unions; several agreements with workers' councils.

Absenteeism

2020		
	Absenteeism	%
Spain	43,424	2.46%
China	8,441	1.36%
Mexico	12,768	3.97%
Germany	6,930	2.50%
France	920	4.78%
UK	0	0%
TOTAL	72,484.28	

*NOTE: these are only the Riemser hours; no tracking for Schiffweiler. No record has been kept for 2020 (Advised H&S at ESTEVE too).

Equality measures, plans, and policies

Measures taken to promote equal treatment and opportunities between women and men	
Spain	Code of ethics, equality plan
Mexico	Compliance with the Federal Labor Law and Mexican Standards NOM035
France	Mandatory display in offices
UK	Employee Handbook. ESTEVE Code of ethics was signed
Equality Plans, measures taken to promote employment, protocols against sexual and gender harassment, inclusion and universal accessibility of persons with disabilities	
Spain	Code of ethics, equality plan
Mexico	Compliance with the Federal Labor Law and Mexican Standards NOM035
France	Charter for preventing and combating moral and sexual harassment/internal
UK	See Employee Handbook
Policies against all forms of discrimination and diversity management	
Spain	Code of ethics, equality plan
Mexico	Compliance with the Federal Labor Law and Mexican Standards NOM035
France	Mandatory display in offices
UK	Employee Handbook.

Measures to facilitate the conciliation of work and private life

2020	
Spain	ESTEVE has implemented measures to reconcile work and private life and paid permits so that employees can develop their professional career in the same conditions, regardless of their family situation
China	-
Mexico	Federal Labor Law and Protocol of Action against COVID-19
Germany	-
France	-
UK	-
US	-

Occupational accidents

Total no. of work-related injuries and cases of ill health	2018		2019		2020	
	Men	Women	Men	Women	Men	Women
Accidents with sick leave	17	10	17	6	10	1
Accidents without sick leave	21	8	21	8	4	2
Commuting accidents	8	10	15	12	6	4
Occupational illness	0	0	1	0	0	0
Total ESTEVE staff	46	28	54	26	20	7
Accidents of external personnel with sick leave	4	2	4	3	2	1

Earnings and Taxes

ESTEVE fulfils its commitments regarding the payment of taxes and transparency. Good corporate governance practices establish policies, principles, and values that govern the company's ethical behaviour and affect everyone in the Group. Compliance with the provisions of the tax strategy is supervised by ESTEVE's governing bodies and reported in the annual accounts. Breakdown by country of the EBT contributed by each to the ESTEVE Group's consolidated total (in thousands of euros).

1. Breakdown by country of the EBT contributed by each to the ESTEVE Group's consolidated total (in thousands of euros)		
	2019	2020
Country	EBT - Societary	EBT - Societary
Spain	-30,664	44,306
China	12,675	17,167
Mexico	2,140	1,098
Italy	1,431	-
Portugal	1,239	
Germany	-	-17,431
France	-	1,684
UK	-	3,123
US	-3,464	-883
Rest of Europe	-67	-127

2. Taxes paid in 2019 and 2020 (in thousands of euros)		
	2019	2020
Country	Taxes paid	Taxes paid
Spain	419	11,027
China	2,480	2,600
Mexico	1,223	1,767
Italy	106	-
Portugal	395	
Germany	-	2,726
France	-	376
UK	-	0
US	696	0
Rest of Europe	154	21

3. Subsidies received		
Year	2019	2020
Amount	1,471	1,836

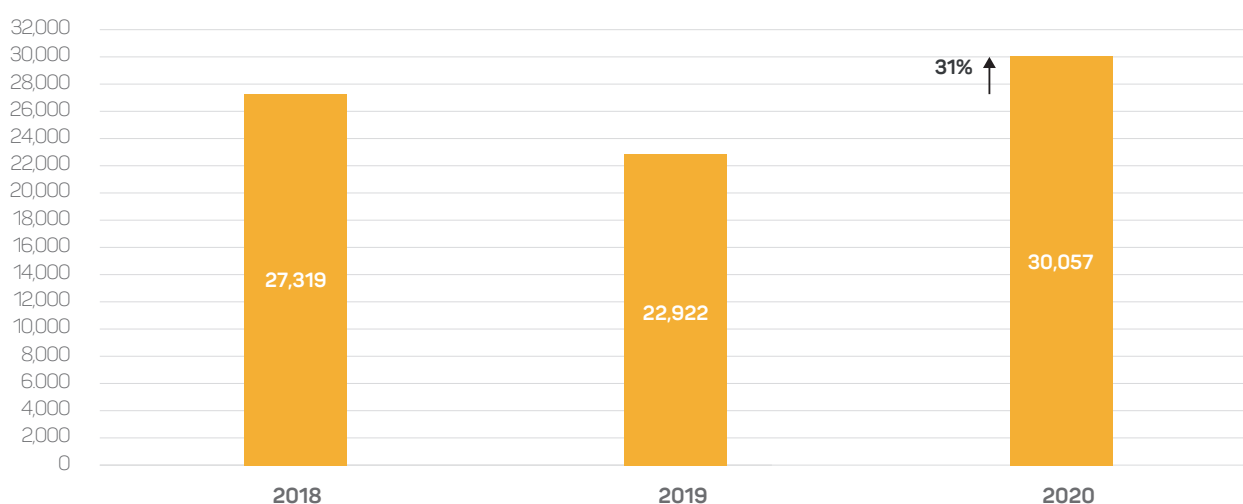
Environmental Matters

Optimization of consumption

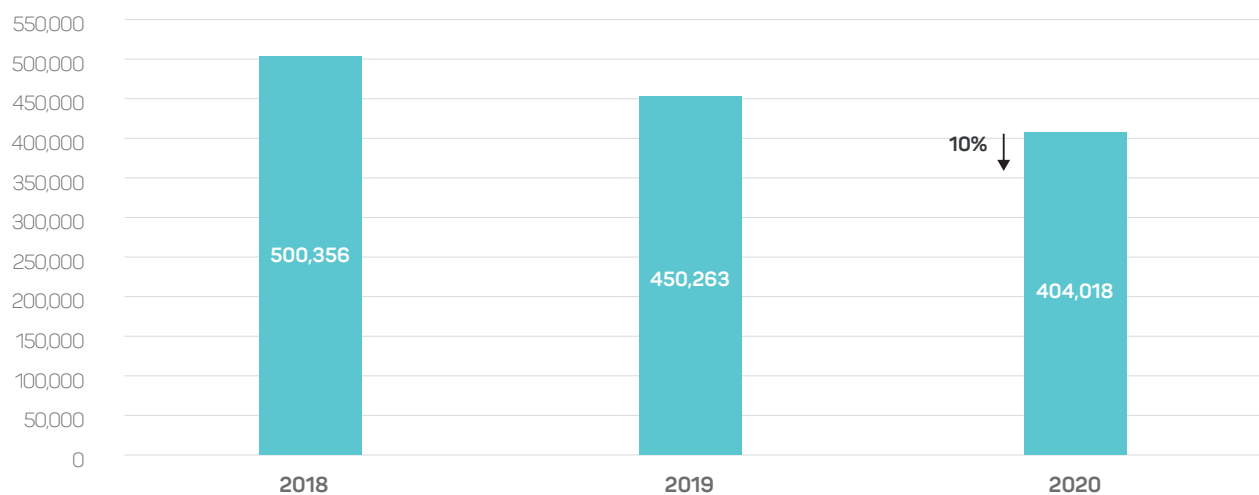
1. Resource consumption

		Unit	2018	2019	2020	Variation 2019-2020
EN1	Total consumption of DG	t	27,319	22,922	30,057	31%
EN4	Electricity consumption	GJoules	249,745	234,702	159,544	-32%
EN4	Gas consumption	GJoules	173,062	166,320	81,450	-51%
EN8	Water consumption	m³	500,356	450,263	404,018	-10%

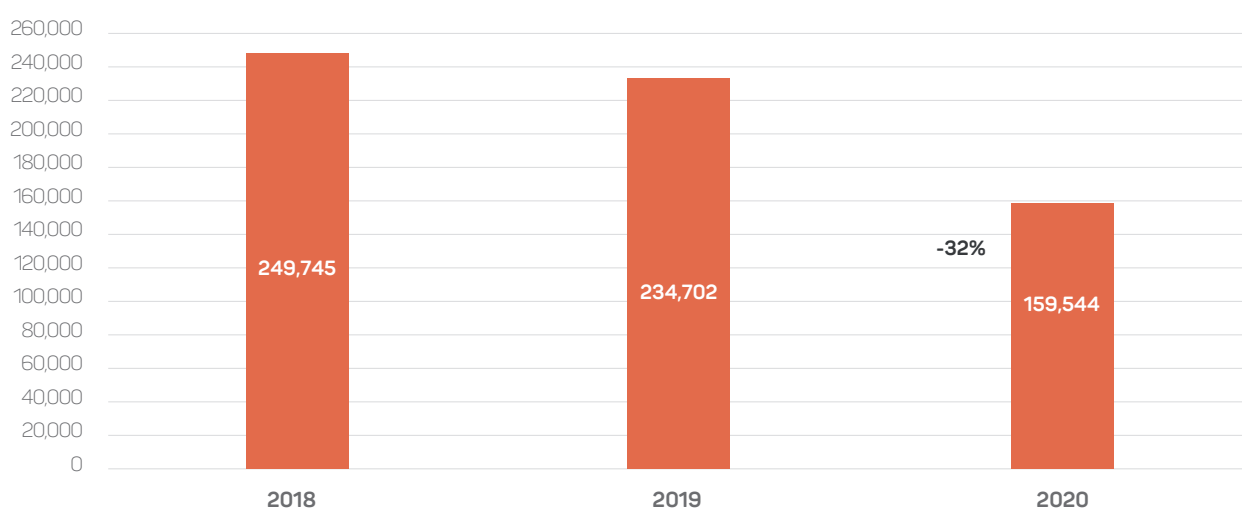
Consumption of raw materials



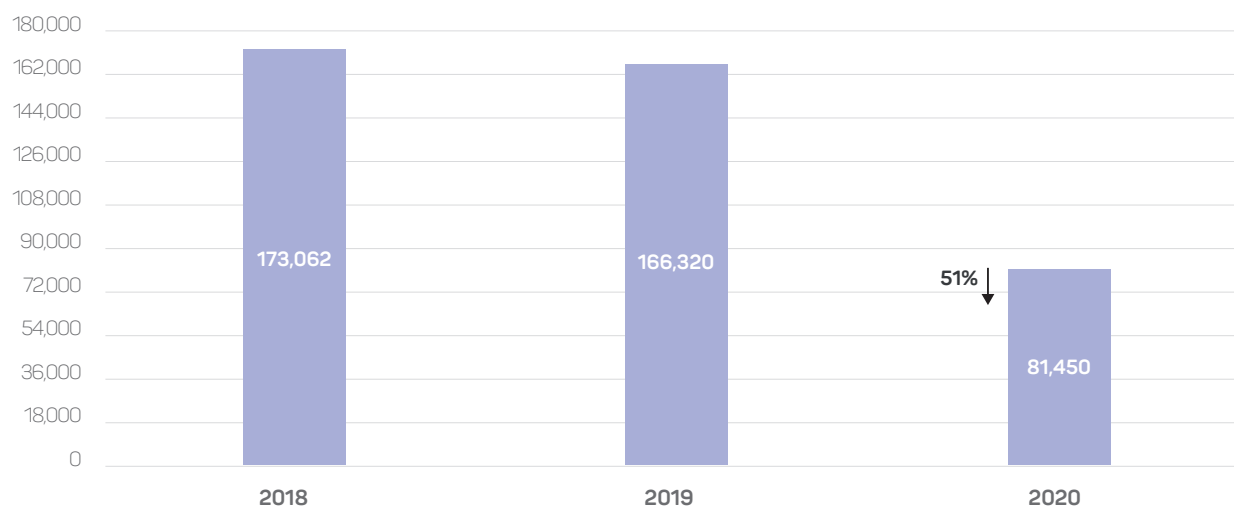
Water consumption



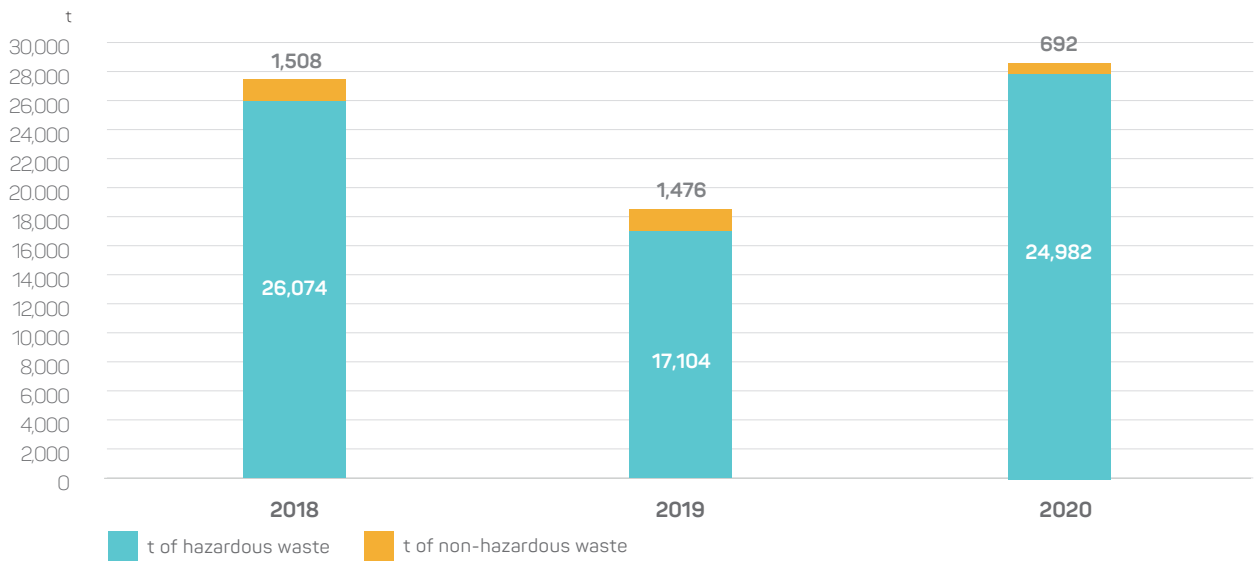
Electricity consumption



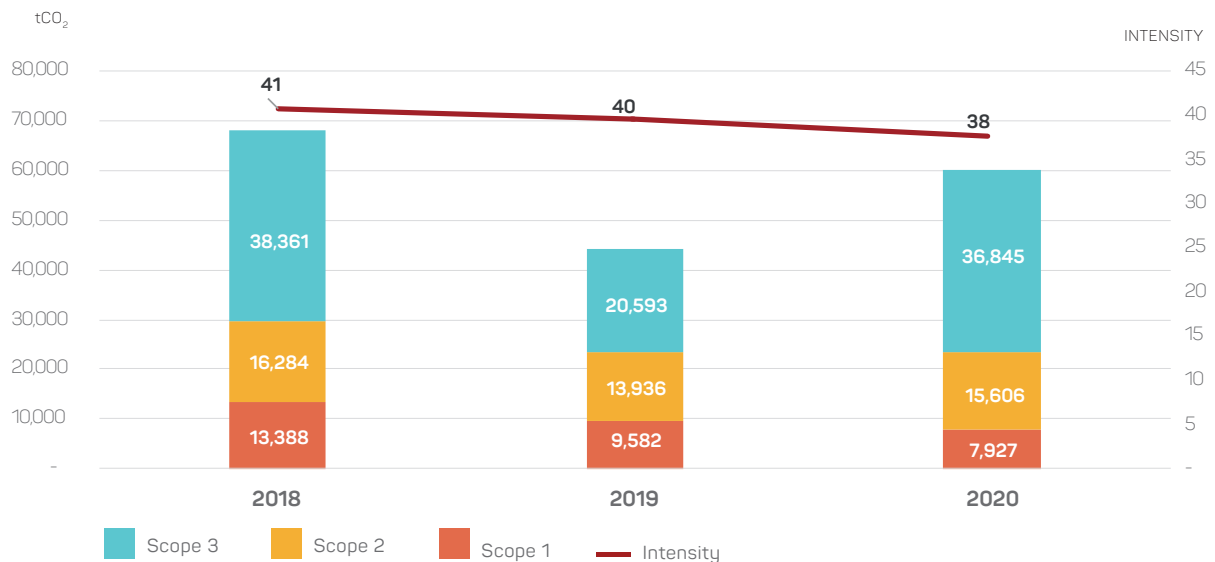
Gas consumption



Waste Management



Carbon footprint in 2020



Scopes		2016	2017	2018	2019	2020	2019-2020 evolution
Scope 1	t CO ₂ eq	13,105	15,686	13,388	9,582	7,927	-17%
Scope 2	t CO ₂ eq	16,909	14,655	16,284	13,936	15,606	12%
Scope 3	t CO ₂ eq	41,673	38,285	38,361	20,593	36,845	79%
Intensity				41	40	38	
Sales	M\$	-	-	729	595	625	
Total	t CO ₂ eq	71,686	68,626	68,033	44,111	60,378	37%

Scopes

Scope 1 Direct emissions by ESTEVE in Spain, Mexico, and China (including emissions from the leased vehicle fleet).

Scope 2 ESTEVE's indirect emissions resulting from electricity consumption in Spain, Mexico, and China.

Scope 3 Transport and distribution of electricity + business trips in Spain, Mexico, and China + workers' journeys + waste in Spain, Mexico and China.

Intensity Total greenhouse gas emissions in tons of CO₂-eq for scopes 1 and 2, divided by total turnover in millions of dollars.

Table of contents Law 11/2018

Areas	Contents	GRI Standards	Section
Business Model	Brief description of the Group's business model, which will include: 1) its business environment, 2) its organization and structure, 3) the markets in which it operates, 4) its goals and strategies, 5) the main factors and trends that may affect its future evolution.	102-1, 102-2, 102-3, 102-4, 102-6, 102-7	Corporate Strategy
Policies	A description of the group's policies on these issues, including: (1) due diligence procedures applied for the identification, evaluation, prevention, and mitigation of significant risks and impacts, (2) verification and control procedures, including what measures have been taken.	103	Responsible business
ST, MT and LT risks	The major risks associated with matters related to the Group's activities, including, where relevant and proportionate, its business relationships, products, or services that may have a negative impact on those areas; and * how the Group manages such risks, * explaining the procedures used to detect and evaluate them in accordance with the national, European or international reference frameworks for each area, * information on the impacts that have been detected should be included, providing a breakdown of these impacts, particularly major risks in the short, medium and long-term.	103, 102-15	Manage risk by adding value for business
KPIs	Key indicators of non-financial performance that are relevant to the specific business activity, and that meet the criteria of comparability, materiality, relevance, and reliability. *In order to facilitate the comparison of information, both over time and between entities, special standards of key non-financial indicators that can be generally applied and that comply with the European Commission's guidelines in this area and the Global Reporting Initiative standards will be used, with the report mentioning the national, European, or international framework used for each subject. *Key non-financial performance indicators should apply to each of the non-financial reporting status sections. *These indicators should be useful, taking into account the specific circumstances and consistent with the parameters used in their internal risk management and assessment procedures. * In any case, the information submitted must be accurate, comparable, and verifiable.	102-8, 201-4, 301-1, 302-1, 302-4, 303-1, 304-2, 305-1, 305-2, 306-2, 401-1, 403-1, 403-2, 403-3, 405-1, 405-2, 406-1, 407-1, 408-1, 409-1, 413-1	Materiality Analysis (Appendix)

Table of contents Law 11/2018

Areas	Contents	GRI Standards	Section
Environmental matters	Global Environment		
	1) Detailed information on the current and foreseeable effects of the company's activities on the environment, and where appropriate, health and safety, environmental assessment, or certification procedures. 2) Resources devoted to the prevention of environmental risks. 3) Application of the precautionary principle, the amount of provisions and guarantees for environmental risks.	103, 102-11	Environmental performance
	Pollution		
	measures to prevent, reduce or redress carbon emissions that seriously affect the environment. Taking into account any form of activity-specific air pollution, including noise and light pollution.	103	Industrial emissions
	Circular economy and waste prevention and management		
	circular economy.	103	Circular economy
	Waste: measures for prevention, recycling, reuse, other forms of recovery, and disposal of waste.	103, 306-2	Waste management
	Sustainable use of resources		
	Water consumption and water supply in accordance with local limitations.	303-1, 303-2, 303-5	Water consumption + Appendix
	The consumption of raw materials and the measures taken to improve the efficiency of their use.	301-1, 103	Raw materials+ appendix
	Energy consumption, whether direct or indirect, measures taken to improve energy efficiency and the use of renewable energy sources.	103, 302-1, 302-4	Renewable consumption
	Climate change		
	The important aspects of greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces.	103, 305-1, 305-2, 305-3	Our position on climate change
	The measures taken to adapt to the consequences of climate change.	103 201-2	Our position on climate change
	Voluntary medium and long-term reduction targets to reduce greenhouse gas emissions and the means implemented for this purpose.	103	Our position on climate change
	Protection of biodiversity		
	Measures taken to preserve or restore biodiversity.	103	-
	Impacts caused by activities or operations in protected areas.	304-2	-

Table of contents Law 11/2018

Areas	Contents	GRI Standards	Section
Social and staff-related matters	Employment		
	Total number and distribution of employees by gender, age, country, and job classification.	103, 102-8, 405-1	Appendix
	Total number and distribution of types of employment contract.	102-8	Appendix
	Annual average of permanent, temporary, and part-time contracts by gender, age, and job classification.	102-8, 405-1	Appendix
	Number of dismissals by gender, age, and job classification.	401-1	Appendix
	Average remunerations and their evolution disaggregated by gender, age, and job classification or equal value.	102-35, 202-1, 405-2	Appendix
	The average remuneration for directors and executives, including variable remuneration, per diems, compensation, payment to long-term pension savings systems, and any other amount received disaggregated by gender.	103	Appendix
	Implementation of policies to disconnect from work.	103	Appendix
	Employees with disabilities.	405-1	Appendix
	Work organization		
	Organization of working time.	103	Appendix
	Number of hours of absenteeism.	403-2	Appendix
	Measures aimed at facilitating the enjoyment of work-life balance and encouraging the co-responsible exercise of these by both parents.	103	Appendix
	Health and safety		
	Occupational health and safety conditions.	403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7	Promotion of health in the workplace
	Work-related injuries, particularly their frequency and severity. Cases of work-related ill health; disaggregated by gender.	403-9, 403-10	Appendix
	Social relations		
	Organization of social dialog, including procedures to inform, consult, and negotiate with staff.	103	Staff-related matters
	Percentage of employees covered by collective bargaining agreement by country.	102-41	Appendix
	The balance sheet of collective bargaining agreements, particularly in the field of occupational health and safety.	403-1	Appendix
	Training		
	The policies implemented in the field of training.	103	Appendix
	The total number of hours of training by professional category.	404-1	Appendix
	Universal accessibility of people with disabilities		
	Universal accessibility of people with disabilities.	103	Staff-related matters+Appendix
	Equality		
	Measures taken to promote equal treatment and opportunity between women and men.	103	Staff-related matters
	Equality plans (Chapter III of Organic Law 3/2007 of March 22 for the effective equality of women and men), measures taken to promote employment, protocols against sexual harassment and on the basis of sex, and the integration and universal accessibility of persons with disabilities.	103	Appendix
	Policy against all forms of discrimination and, where appropriate, diversity management.	103, 406-1	Equality, diversity, and inclusion

Table of contents Law 11/2018

Areas	Contents	GRI Standards	Section
Human Rights	Human Rights		
	Implementation of human rights due diligence procedures. Prevention of the risks of human rights violations and, where appropriate, measures to mitigate, manage, and remedy possible abuses committed.	103, 102-16, 102-17	Beyond that established by law
	Complaints of human rights violations.	103	Beyond that established by law
	Promotion of and compliance with the provisions of the fundamental conventions of the International Labour Organization relating to respect for freedom of association and the right to collective bargaining.	103, 407-1	Beyond that established by law
	Eliminating discrimination in employment and occupation.	103, 406-1	Beyond that established by law
	Elimination of forced or compulsory labor.	409-1	Beyond that established by law
Corruption and bribery	Effective abolition of child labor.	408-1	Beyond that established by law
	Measures taken to prevent corruption and bribery.	103, 102-16, 102-17, 205-1, 205-2	Beyond that established by law
	Measures to combat money laundering.	103, 205-2	Beyond that established by law
Society	Contributions to foundations and non-profit entities.	201-1, 203-2, 413-1	Beyond that established by law
	The company's commitments to sustainable development		
	The impact of society's activity on employment and local development.	103, 413-1	Responsible business
	The impact of society's activity on local populations and territory.	103 (innovation approach)	Responsible business
	Relations with actors in local communities and the modes of dialog with local communities.	102-43	Responsible business
	Relations with actors in local communities and the modes of dialog with local communities.	103 (responsible marketing approach)	Responsible business
	Partnership or sponsorship actions.	102-12, 102-13	Collaborations and partnerships
	Outsourcing and suppliers		
	* Inclusion in social, gender equality, and environmental procurement policy. * Consideration in relations with suppliers and subcontractors of their social and environmental responsibility.	103, 102-9, GRI 308-1, GRI 414-1	Sustainable purchasing
	Monitoring systems and audits and results thereof.	103	Sustainable purchasing
	Consumers		
	Measures for consumer health and safety	103, 417-1	Customer service
	Complaint systems, complaints received and resolution thereof.	103	Customer service
	Tax information		
	Benefits earned country by country.	103	Appendix
	Taxes on benefits paid.	103	Appendix
	Public grants received.	201-4	Appendix



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